

KERENDIAN & ASSOCIATES, INC.
11755 Wilshire Blvd., 15th Floor
Los Angeles, CA 90025

Shab D. Kerendian, Esq., State Bar No. 183057
Shab@kalawcorp.com
Edrin Shamtab, Esq., State Bar No. 301562
Edrin@kalawcorp.com

KERENDIAN & ASSOCIATES, INC.

11755 Wilshire Blvd., 15th Floor
Los Angeles, California 90025
Phone: (310) 914-4143
Fax: (310) 914-5441

Counsel for Plaintiff, STEPHEN MATTEO

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION

STEPHEN MATTEO, an individual,

Plaintiff,

vs.

CHASE METALS SERVICE CORPORATION, a Delaware corporation; METALS.COM, an unknown entity; DAVID H. WOLAN, an individual; LUKE MCCAIN, an individual; JONATHAN SACHS, an individual; CHASE METALS, an unknown entity; CHASEMETALS.COM, an unknown entity; CHASE METALS, LLC, a Wyoming limited liability company; CHASE METALS, INC., a Wyoming corporation; TEM INC., a Wyoming corporation; and TMTE INC., a Wyoming corporation,

Defendants.

Case No. 2:19-cv-01223-JAK-SK

FIRST AMENDED COMPLAINT FOR:

- 1. BREACH OF CONTRACT;**
- 2. FRAUD;**
- 3. NEGLIGENT MISREPRESENTATION;**
- 4. FRAUDULENT INDUCEMENT;**
- 5. FINANCIAL ELDER ABUSE;**
- 6. CONVERSION;**
- 7. COMMON COUNTS;**
- 8. UNFAIR AND DECEPTIVE BUSINESS PRACTICES [CAL. B&P 17200, ET SEQ.];**
- 9. VIOLATION OF PENAL CODE § 496(a);**
- 10. CIVIL CONSPIRACY;**
- 11. RESCISSION BASED ON UNILATERAL MISTAKE;**
- 12. RESCISSION BASED ON FRAUD;**
- 13. RESCISSION BASED ON**

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**NEGLIGENT
MISREPRESENTATION;
14. RESCISSION BASED ON LACK
OF CONSIDERATION;
15. RESCISSION BASED ON
ILLEGALITY & PUBLIC
INTEREST;
16. CANCELLATION OF
INSTRUMENTS [CIVIL CODE §
3412];
17. RESTITUTION (UNJUST
ENRICHMENT);
18. ACCOUNTING;
19. CIVIL RICO – SECTION 1962(c);
and
20. CIVIL RICO – SECTION 1962(d).**

DEMAND FOR A JURY TRIAL

Plaintiff, Stephen Matteo, alleges the following:

PARTIES

1. Plaintiff, Stephen Matteo (“Plaintiff”), is, and at all times mentioned herein was, a resident of the City of Kapaa, County of Kauai, State of Hawaii.
2. Plaintiff alleges that defendant, Chase Metals, is, and at all relevant times mentioned herein was, an unknown entity incorporated in the State of Wyoming, having its principal place of business in Cheyenne, Wyoming and conducting business in New York, Wyoming, and the City of Beverly Hills, County of Los Angeles, State of California.

3. Plaintiff alleges that defendant, ChaseMetals.com, is, and at all relevant times mentioned herein was, an unknown entity incorporated in the State of Wyoming, having its principal place of business in Cheyenne, Wyoming and conducting business in New York, Wyoming, and the City of Beverly Hills, County of Los Angeles, State of California.
4. Plaintiff alleges that defendant, Metals.com, is, and at all relevant times mentioned herein was, an unknown entity incorporated in the State of Wyoming, having its principal place of business in Cheyenne, Wyoming and conducting business in New York, Wyoming, and the City of Beverly Hills, County of Los Angeles, State of California.
5. Plaintiff alleges that defendant, Chase Metals, LLC, is, and at all times mentioned herein was, a Wyoming limited liability company having its principal place of business in Cheyenne, Wyoming and conducting its business in New York, Wyoming, and the City of Beverly Hills, County of Los Angeles, State of California through the following trade names or fictitious business names: Chase Metals; Chasemetals.Com; and/or Metals.Com.
6. Plaintiff alleges that defendant, Chase Metals, Inc., is, and at all times mentioned herein was, a Wyoming corporation having its principal place of business in Cheyenne, Wyoming and conducting its business in New York, Wyoming, and the City of Beverly Hills, County of Los Angeles, State of California through the

1 following trade names or fictitious business names: Chase Metals;
2 Chasemetals.Com; and/or Metals.Com.

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4 7. Plaintiff alleges that defendant, TEM, Inc., is, and at all times mentioned herein
5 was, a Wyoming corporation having its principal place of business in Cheyenne,
6 Wyoming and conducting its business in New York, Wyoming, and the City of
7 Beverly Hills, County of Los Angeles, State of California through the following
8 trade names or fictitious business names: Chase Metals; Chasemetals.Com; and/or
9 Metals.Com.
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12 8. Plaintiff alleges that defendant, TMTE, Inc., is, and at all times mentioned herein
13 was, a Wyoming corporation having its principal place of business in Cheyenne,
14 Wyoming and conducting its business in New York, Wyoming, and the City of
15 Beverly Hills, County of Los Angeles, State of California through the following
16 trade names or fictitious business names: Chase Metals; Chasemetals.Com; and/or
17 Metals.Com.
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19
20 9. Defendants, Chase Metal, Chasemetals.Com, Metals.Com, Chase Metals, LLC,
21 Chase Metals, Inc., TEM, Inc. and TMTE, Inc., are sometimes referred to herein
22 collectively as “Corporate Defendants”.
23

24 10. Plaintiff alleges that defendant, David H. Wolan (“Wolan”), is, and at all times
25 mentioned herein was, a resident of the County of Los Angeles, California, and
26 conducting business on behalf of the Corporate Defendants in the County of Los
27 Angeles, California.
28

1 11. Plaintiff alleges that defendant, Luke McCain (“McCain”), is, and at all times
2 mentioned herein was, a resident of the County of Los Angeles, California, and
3 conducting business on behalf of the Corporate Defendants in the County of Los
4 Angeles, California.
5

6 12. Plaintiff alleges that defendant, Jonathan Sachs (“Sachs”), is, and at all times
7 mentioned herein was, a resident of the County of Los Angeles, California, and
8 conducting business on behalf of the Corporate Defendants in the County of Los
9 Angeles, California.
10

11 13. The defendant, Chase Metals Service Corporation, is a Delaware corporation with
12 its principal place of business in New York, Wyoming, and the City of Beverly
13 Hills, County of Los Angeles, State of California. Plaintiff is informed, believes,
14 and thereon alleges that Chase Metals Service Corporation is registered and doing
15 business in California as a company engaging in the trade of precious metals,
16 including coins and Bullions.
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18 14. Plaintiff alleges that at all times mentioned herein, each defendant was the agent
19 and employee of each and all of the other defendants and were acting in the
20 course of such agency and/or employment. Further, upon information and belief,
21 Plaintiff alleges that all of the acts and/or omissions by each of the defendants
22 were ratified by each of the other defendants. All defendants are sometimes
23 referred to herein collectively as “Defendants”.
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1 15. Plaintiff alleges that at all times mentioned herein, each defendant was the alter
2 ego of one another, acted in concert, and acted in a conspiracy and thus, are
3 jointly and severally responsible for the conduct of one another.
4

5 **JURISDICTION AND VENUE**

6 16. Plaintiff incorporates by reference each and every allegation of the above
7 paragraphs as though set forth fully herein.
8

9 17. Pursuant to 28 U.S.C. § 1332, this Court has subject matter jurisdiction over the
10 matters alleged herein based on diversity jurisdiction where Plaintiff and
11 Defendants are citizens of different States and the amount in controversy,
12 exclusive of interests and costs, is in excess of seventy-five thousand (\$75,000)
13 dollars. Additionally, this Court has subject matter jurisdiction over this action
14 pursuant to the civil RICO remedies at 18 U.S.C. § 1964, thereby giving this
15 Court jurisdiction over this action under 28 U.S.C. § 1331 (federal question).
16

17 18. Pursuant to 28 U.S.C. § 1391(b), venue is proper in this judicial district because
18 the County of Los Angeles, California is the location where a substantial part of
19 the events or omissions giving rise to the claim occurred.
20

21 **FACTS COMMON TO ALL CAUSES OF ACTION**

22 19. Plaintiff incorporates by reference each and every allegation of the above
23 paragraphs as though set forth fully herein.
24

25 20. Plaintiff was born on April 15, 1946. Plaintiff was married to Barbara Jean
26 Matteo who was born on or about January 18, 1949. On or about July 8, 2017,
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1 Barbara passed away at the age of 68 years old on the island of Kauai, Hawaii.
2 Plaintiff had about \$465,000 as his life savings. At the time of his wife's death,
3 the Plaintiff was retired, and he was relying on his life savings for the remainder
4 of his life. As such, the Plaintiff wanted to invest his life savings for the
5 remainder of his life in a safe investment vehicle where he could grow and use the
6 funds from his life savings to cover his living expenses.
7

8
9 21. In or around mid-2017, Plaintiff heard Defendants' radio advertisement about
10 Defendants' investment offer and/or opportunity ("Investment Opportunity").
11 Plaintiff called and explained his retirement situation and goals, as stated above,
12 to Defendants. During multiple telephone conversations from in or about August
13 of 2017, Plaintiff spoke with defendants, Wolan, McCain, and Sachs, and other
14 representatives of the Defendants about Defendants' Investment Opportunity.
15 Plaintiff explained to defendants, Wolan and McCain, that his wife had recently
16 passed in July of 2017 and that the money he would like to invest was his entire
17 life savings and his retirement money. Plaintiff also explained that he was retired
18 and thus, relied on his life savings to make ends meet on a monthly basis, but did
19 not have enough money to support himself.
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23 22. During these multiple telephone conversations, defendants, Wolan and McCain,
24 would repeatedly ensure Plaintiff that Defendants' Investment Opportunity was
25 safe and had no risk of losing money. Defendants, Wolan and McCain, both
26 repeatedly represented to Plaintiff that the dollar loses value while Defendants'
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Investment Opportunity, involving, among other things, investments in precious metals, was a safe and no-risk investment. During the multiple communications with defendants, Wolan and McCain, Plaintiff told them multiple times that he could not afford to lose any part of his life savings and retirement funds. Wolan and McCain understood and assured Plaintiff that his funds would be safe during those conversations. Wolan and McCain used the stock market as an example, and told Plaintiff that unlike the stock market, owning precious metals is a safe investment, protects Plaintiff, goes up over time, and protects against inflation and the dollar losing value. During those conversations, Wolan and McCain repeatedly assured Plaintiff that the money he invests in precious metals with them will not be reduced or lose value.

23. Defendants, Wolan and McCain, including other representatives of Defendants represented and ensured Plaintiff that Defendants' Investment Opportunity was safe and his investment with Defendants will only increase in value as the dollar is going to lose strength causing precious metals to increase in value. Further, Defendants, particularly, defendants, Wolan and McCain, repeatedly represented to Plaintiff that: he would be purchasing precious metals from Defendants at fair market value on the day of purchase; that he would be able to sell and/or Defendants would buy back any part or the whole investment of the precious metals at any time, without any penalty, for no less than the same price he purchased them; and that the precious metals would be kept by a third-party on

1 his behalf. Based on Defendants repeated representations and assurances, Plaintiff
2 understood that Defendants' Investment Opportunity was safe, risk-free and that
3 he would have access to his investment funds at any time if he needed money.
4

5 24. In reasonable and justifiable reliance on the aforementioned representations and
6 assurances by Defendants, particularly, defendants, Wolan and McCain, about
7 Defendants' Investment Opportunity, Plaintiff decided to buy into Defendants'
8 Investment Opportunity and purchase precious metals from Defendants with his
9 life savings and retirement funds. On or about August 7, 2017, Plaintiff
10 electronically received and signed a one-page document from Defendants in order
11 to participate in Defendants' Investment Opportunity ("Contract"), and a copy
12 was not provided to Plaintiff at the time of signing. A true and correct copy of the
13 Contract is attached hereto as Exhibit "1" and fully incorporated herein by this
14 reference.
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18 25. Thereafter, in August of 2017, in reasonable and justifiable reliance on the
19 aforementioned representations and assurances by the Defendants, the Plaintiff
20 purchased thousands of precious metals, including coins, from Defendants.
21 Plaintiff paid Defendants, based on their invoice dated August 7, 2017, the
22 amount of \$367,530.00. In addition, Plaintiff paid Defendants, based on their
23 invoice dated August 23, 2017, the amount of \$94,282.50. True and correct
24 copies of the August 7, 2017, and August 23, 2017 invoices are attached hereto,
25 collectively, as Exhibit "2" and fully incorporated herein by this reference.
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1 26. No other pages or documents were provided by Defendants or signed by Plaintiff
2 when Plaintiff received and signed the Contract electronically, nor when the
3 Plaintiff made the purchases of precious metals from Defendant in August of
4 2017.
5

6 27. In or around October 2017, Plaintiff received a statement from Strata Trust
7 Company which reflected the value of his investment with Defendants. To
8 Plaintiff's shock and surprise, unlike what he was promised, the value of his
9 investment with Defendants had decreased. Within about two months' time, the
10 Plaintiff's \$461,812.50 investment with Defendants had lost about \$250,000.00 in
11 value.
12

13 28. Plaintiff then asked defendant, Wolan, about his investment and asked for an
14 explanation as to why his investment had dropped approximately \$250,000.00 in
15 value. Defendants, Wolan, McCain, and Sachs, during different phone
16 conversations, informed Plaintiff that an "agreement" he signed explained his
17 duties and obligations ("Agreement"). Apparently, over the next few months after
18 signing of the one-page Contract and making the aforementioned investment
19 purchases with Defendants, Defendants provided Plaintiff with additional pages,
20 which the Defendants claimed were the Agreement for Plaintiff's investment with
21 Defendants. For the first time, Defendants claimed that the Plaintiff signed the so-
22 called Agreement, which explained terms about Defendants' Investment
23 Opportunity that was completely different than what was directly and repeatedly
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1 represented to Plaintiff by Defendants. A true and correct copy of the so-called
2 Agreement is attached hereto as Exhibit “3” and fully incorporated herein by this
3 reference. Plaintiff did not sign nor ever agree to the Agreement and did not
4 understand any of the verbiages in the Agreement or what happened with life
5 savings and retirement funds he used to invest in Defendants’ Investment
6 Opportunity.
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9 29. Moreover, Defendants, particularly, defendants, Wolan, McCain, and Sachs, told
10 Plaintiff that the statements from Strata Trust Company did not represent the
11 accurate value of Plaintiff’s investment with the Defendants because the coins in
12 question were minted in Canada specifically for Defendants, which had a higher
13 value than Strata Trust Company was reflecting on the statements. As a result,
14 Defendants, particularly, defendants, Wolan, McCain, and Sachs, would
15 continuously tell Plaintiff that he needed to be patient, wait, and not take any
16 action.
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19 30. Plaintiff informed the Defendants of his intention to sell the precious metals and
20 for the Defendants to buy them back for the same price the Plaintiff paid for them
21 as Defendants had repeatedly promised. Defendants, however, refused to do so
22 and instead told Plaintiff that they could not repurchase them for another three to
23 five years all while continuing to represent to Plaintiff that he had not lost any
24 money because the precious metals that he bought from Defendants were worth as
25 much as he paid for them. They told Plaintiff that there was nothing for him to do,
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1 and that everything was in order, and that Plaintiff's investment was at the initial
2 value and was on its way to gain money. Plaintiff relied on these representations
3 to his detriment.
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5 31. Although Plaintiff waited in reliance on the Defendants' continuing
6 representation that Plaintiff had not lost any money, Plaintiff continued receiving
7 statements that showed his investment continued to lose value. Ultimately, and as
8 time passed, Plaintiff was forced to engage others to sell his investments with
9 Defendants because Defendants continued to refuse to sell or buy back any part of
10 the precious metals they had sold to him. Plaintiff was only able to recover about
11 \$158,000.00 of what Plaintiff invested with the Defendants.
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13 32. As a factual and legal result of Defendants' wrongful conduct as described herein
14 and above, Plaintiff has been damaged for an amount, in excess of \$75,000, to be
15 proven at the time of the trial together with the interest thereon.
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17 33. Additionally, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff
18 is entitled to recover from Defendant in accordance with the terms of the
19 agreements alleged herein or as may be provided by law.
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22 **FIRST CAUSE OF ACTION FOR BREACH OF CONTRACT**

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24 **(Plaintiff against All Defendants)**

25 34. Plaintiff incorporates by reference each and every allegation of the above
26 paragraphs as though set forth fully herein.
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1 35. As alleged herein and above, defendants, Wolan and McCain, including other
2 representatives of Defendants represented and ensured Plaintiff that Defendants'
3 Investment Opportunity was safe and his investment with Defendants will only
4 increase in value as the dollar is going to lose strength causing precious metals to
5 increase in value. Additionally, Defendants, particularly, defendants, Wolan and
6 McCain, repeatedly represented to Plaintiff that: he would be purchasing precious
7 metals from Defendants at fair market value on the day of purchase; that he would
8 be able to sell and/or Defendants would buy back any part or the whole
9 investment of the precious metals at anytime, without any penalty, for no less than
10 the same price he purchased them; and that the precious metals would be kept by
11 a third-party on his behalf. Based on Defendants repeated representations and
12 assurances, Plaintiff understood that Defendants' Investment Opportunity was
13 safe, risk-free, and that he would have access to his investment funds at any time
14 if he needed money.
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16 36. As a result of the repeated representations and assurances by Defendants,
17 particularly, defendants, Wolan and McCain, about Defendants' Investment
18 Opportunity, as set forth herein and above, Plaintiff agreed to purchase precious
19 metals from Defendants. To facilitate Plaintiff's purchase of the precious metals
20 from Defendants, Plaintiff received and signed a one-page Contract from
21 Defendants in order to participate in Defendants' Investment Opportunity, which
22 Plaintiff believed was based on Defendants' representations and assurances to
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1 Plaintiff about Defendants' Investment Opportunity. See Exhibit "1" (i.e.,
2 Contract) attached hereto and fully incorporated herein by this reference.

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4 37. Thereafter, in August of 2017, in reasonable and justifiable reliance on the
5 aforementioned representations and assurances by the Defendants, the Plaintiff
6 purchased thousands of precious metals, including coins, from Defendants.
7 Plaintiff paid Defendants, based on their invoice dated August 7, 2017, the
8 amount of \$367,530.00. Additionally, Plaintiff paid Defendants, based on their
9 invoice dated August 23, 2017, the amount of \$94,282.50. See Exhibit "2" (i.e.,
10 the two August 2017 invoices) attached hereto and fully incorporated herein by
11 this reference.
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14 38. Accordingly, Plaintiff has, at all times herein mentioned, fully complied with and
15 performed and/or stand ready, able, and willing to comply and perform all terms
16 of the agreement with Defendants, except as to those which were excused,
17 waived, and/or prevented by Defendant's conduct.
18

19
20 39. However, Defendants is, and at all times mentioned herein were, in breach of their
21 promises to Plaintiff, as alleged herein and above, and thereby breached the
22 Contract.
23

24 40. Plaintiff has fully performed all his obligations pursuant to the agreement
25 mentioned herein and has performed to the extent not prevented by the
26 Defendants. Plaintiff has made good faith attempts to resolve the dispute, but
27 Defendants refused and continues to refuse to comply with the Contract.
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1 41. As a factual and legal result of Defendant's breaches as alleged herein and above,
2 Plaintiff has been damaged for an amount, in excess of \$500,000.00, to be proven
3 at the time of the trial together with the interest thereon.
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5 42. Additionally, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff
6 is entitled to recover from Defendant in accordance with the terms of the
7 agreements alleged herein or as may be provided by law.
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9 **SECOND CAUSE OF ACTION FOR FRAUD**

10 **(Plaintiff against All Defendants)**

11 43. Plaintiff incorporates by reference each and every allegation of the above
12 paragraphs as though set forth fully herein.
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14 44. As alleged herein and above, defendants, Wolan and McCain, including other
15 representatives of Defendants represented and ensured Plaintiff that Defendants'
16 Investment Opportunity was safe and his investment with Defendants will only
17 increase in value as the dollar is going to lose strength causing precious metals to
18 increase in value. Additionally, Defendants, particularly, defendants, Wolan and
19 McCain, repeatedly represented to Plaintiff that: he would be purchasing precious
20 metals from Defendants at fair market value on the day of purchase; that he would
21 be able to sell and/or Defendants would buy back any part or the whole
22 investment of the precious metals at anytime, without any penalty, for no less than
23 the same price he purchased them; and that the precious metals would be kept by
24 a third-party on his behalf. Based on Defendants repeated representations and
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1 assurances, Plaintiff understood that Defendants' Investment Opportunity was
2 safe, risk-free, and that he would have access to his investment funds at any time
3 if he needed money.
4

5 45. In reliance on the repeated representations and assurances by Defendants,
6 particularly, defendants, Wolan and McCain, about Defendants' Investment
7 Opportunity, as set forth herein and above, Plaintiff agreed to purchase precious
8 metals from Defendants. To facilitate Plaintiff's purchase of the precious metals
9 from Defendants, Plaintiff received and signed a one-page Contract from
10 Defendants in order to participate in Defendants' Investment Opportunity, which
11 Plaintiff believed was based on Defendants' representations and assurances to
12 Plaintiff about Defendants' Investment Opportunity. See Exhibit "1" (i.e.,
13 Contract) attached hereto and fully incorporated herein by this reference.
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17 46. Thereafter, in August of 2017, in reasonable and justifiable reliance on the
18 aforementioned representations and assurances by the Defendants, Plaintiff
19 purchased thousands of precious metals, including coins, from Defendants.
20 Plaintiff paid Defendants, based on their invoice dated August 7, 2017, the
21 amount of \$367,530.00. Additionally, Plaintiff paid Defendants, based on their
22 invoice dated August 23, 2017, the amount of \$94,282.50. See Exhibit "2" (i.e.,
23 the two August 2017 invoices) attached hereto and fully incorporated herein by
24 this reference.
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1 47. At the time that Defendants made the aforementioned representations and
2 assurances, Defendants knew that they were false.

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4 48. Defendants made the aforementioned representations and assurances with the
5 intention to defraud and persuade the Plaintiff to buy into Defendants' Investment
6 Opportunity and buy precious metals from Defendants as part of the Investment
7 Opportunity.
8

9 49. Plaintiff reasonably and justifiably relied on Defendants' false representations and
10 assurances.

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12 50. Had Plaintiff known the falsity of Defendants' representations and assurances,
13 Plaintiff would not have agreed to buy into Defendants' Investment Opportunity
14 or buy precious metals from Defendants as part of the Investment Opportunity or
15 entered into the aforementioned Contract to effectuate the same.
16

17 51. As a factual and legal result of Defendant's misconduct, as alleged herein and
18 above, Plaintiff has been damaged for an amount, in excess of \$500,000.00, to be
19 proven at the time of the trial together with the interest thereon.
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21 52. Additionally, Defendants' conduct was willful and malicious and without regard
22 for the well-being of the Plaintiff, thus entitling Plaintiff to an award of punitive
23 damages pursuant to Civ. Code § 3294 in excess of \$7,000,000.00.
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25 53. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff is
26 entitled to recover from Defendant in accordance with the terms of the agreements
27 alleged herein or as may be provided by law.
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THIRD CAUSE OF ACTION FOR NEGLIGENT MISREPRESENTATION

(Plaintiff against All Defendants)

54. Plaintiff incorporates by reference each and every allegation of the above paragraphs as though set forth fully herein.

55. As alleged herein and above, defendants, Wolan and McCain, including other representatives of Defendants represented and ensured Plaintiff that Defendants' Investment Opportunity was safe and his investment with Defendants will only increase in value as the dollar is going to lose strength causing precious metals to increase in value. Additionally, Defendants, particularly, defendants, Wolan and McCain, repeatedly represented to Plaintiff that: he would be purchasing precious metals from Defendants at fair market value on the day of purchase; that he would be able to sell and/or Defendants would buy back any part or the whole investment of the precious metals at anytime, without any penalty, for no less than the same price he purchased them; and that the precious metals would be kept by a third-party on his behalf. Based on Defendants repeated representations and assurances, Plaintiff understood that Defendants' Investment Opportunity was safe, risk-free, and that he would have access to his investment funds at any time if he needed money.

56. In reliance on the repeated representations and assurances by Defendants, particularly, defendants, Wolan and McCain, about Defendants' Investment Opportunity, as set forth herein and above, Plaintiff agreed to purchase precious

metals from Defendants. To facilitate Plaintiff's purchase of the precious metals from Defendants, Plaintiff received and signed a one-page Contract from Defendants in order to participate in Defendants' Investment Opportunity, which Plaintiff believed was based on Defendants' representations and assurances to Plaintiff about Defendants' Investment Opportunity. See Exhibit "1" (i.e., Contract) attached hereto and fully incorporated herein by this reference.

57. Thereafter, in August of 2017, in reasonable and justifiable reliance on the aforementioned representations and assurances by the Defendants, Plaintiff purchased thousands of precious metals, including coins, from Defendants. Plaintiff paid Defendants, based on their invoice dated August 7, 2017, the amount of \$367,530.00. Additionally, Plaintiff paid Defendants, based on their invoice dated August 23, 2017, the amount of \$94,282.50. See Exhibit "2" (i.e., the two August 2017 invoices) attached hereto and fully incorporated herein by this reference.

58. Defendants' representations and assurances to Plaintiff were not true.

59. While Defendants may have believed their representations and assurances to Plaintiff were true, Defendants had no reasonable grounds for believing the representations and assurances were true when Defendants made them.

60. Defendants intended that Plaintiff relies on their representations and assurances.

61. Plaintiff reasonably and justifiably relied on Defendants' representations and assurances.

62. Had Plaintiff known the falsity of Defendants' representations and assurances, Plaintiff would not have agreed to buy into Defendants' Investment Opportunity or buy precious metals from Defendants as part of the Investment Opportunity or entered into the aforementioned Contract to effectuate the same.

63. As a factual and legal result of Plaintiff's reliance on Defendant's representations and assurances, as alleged herein and above, Plaintiff has been damaged for an amount, in excess of \$500,000.00, to be proven at the time of the trial together with the interest thereon.

64. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff is entitled to recover from Defendant in accordance with the terms of the agreements alleged herein or as may be provided by law.

FOURTH CAUSE OF ACTION FOR FRAUDULENT INDUCEMENT

(Plaintiff against All Defendants)

65. Plaintiff incorporates by reference each and every allegation of the above paragraphs as though set forth fully herein.

66. As alleged herein and above, defendants, Wolan and McCain, including other representatives of Defendants represented and ensured Plaintiff that Defendants' Investment Opportunity was safe and his investment with Defendants will only increase in value as the dollar is going to lose strength causing precious metals to increase in value. Additionally, Defendants, particularly, defendants, Wolan and McCain, repeatedly represented to Plaintiff that: he would be purchasing precious

1 metals from Defendants at fair market value on the day of purchase; that he would
2 be able to sell and/or Defendants would buy back any part or the whole
3 investment of the precious metals at anytime, without any penalty, for no less than
4 the same price he purchased them; and that the precious metals would be kept by
5 a third-party on his behalf. Based on Defendants repeated representations and
6 assurances, Plaintiff understood that Defendants' Investment Opportunity was
7 safe, risk-free, and that he would have access to his investment funds at any time
8 if he needed money.
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12 67. In reliance on the repeated representations and assurances by Defendants,
13 particularly, defendants, Wolan and McCain, about Defendants' Investment
14 Opportunity, as set forth herein and above, Plaintiff agreed to purchase precious
15 metals from Defendants. To facilitate Plaintiff's purchase of the precious metals
16 from Defendants, Plaintiff received and signed a one-page Contract from
17 Defendants in order to participate in Defendants' Investment Opportunity, which
18 Plaintiff believed was based on Defendants' representations and assurances to
19 Plaintiff about Defendants' Investment Opportunity. See Exhibit "1" (i.e.,
20 Contract) attached hereto and fully incorporated herein by this reference.
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24 68. Thereafter, in August of 2017, in reasonable and justifiable reliance on the
25 aforementioned representations and assurances by the Defendants, the Plaintiff
26 purchased thousands of precious metals, including coins, from Defendants.
27 Plaintiff paid Defendants, based on their invoice dated August 7, 2017, the
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1 amount of \$367,530.00. Additionally, Plaintiff paid Defendants, based on their
2 invoice dated August 23, 2017, the amount of \$94,282.50. See Exhibit “2” (i.e.,
3 the two August 2017 invoices) attached hereto and fully incorporated herein by
4 this reference.
5

6 69. At the time that Defendants made the aforementioned representations and
7 assurances, Defendants knew that they were false.
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9 70. Defendants made the aforementioned representations and assurances with the
10 intention to defraud and induce Plaintiff to buy into Defendants’ Investment
11 Opportunity and buy precious metals from Defendants as part of the Investment
12 Opportunity.
13

14 71. Plaintiff reasonably and justifiably relied on Defendants’ false representations and
15 assurances.
16

17 72. Had Plaintiff known the falsity of Defendants’ representations and assurances,
18 Plaintiff would not have agreed to buy into Defendants’ Investment Opportunity
19 or buy precious metals from Defendants as part of the Investment Opportunity or
20 entered into the aforementioned Contract to effectuate the same.
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22 73. As a factual and legal result of Defendant’s misconduct, as alleged herein and
23 above, Plaintiff has been damaged for an amount, in excess of \$500,000.00, to be
24 proven at the time of the trial together with the interest thereon.
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74. Additionally, Defendants' conduct was willful and malicious and without regard for the well-being of the Plaintiff, thus entitling Plaintiff to an award of punitive damages pursuant to Civ. Code § 3294 in excess of \$7,000,000.00.

75. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff is entitled to recover from Defendant in accordance with the terms of the agreements alleged herein or as may be provided by law.

FIFTH CAUSE OF ACTION FOR FINANCIAL ELDER ABUSE

(Welf. & Inst. Code §§ 15610.30, 15657.5)

(Plaintiff against All Defendants)

76. Plaintiff incorporates by reference each and every allegation of the above paragraphs as though set forth fully herein.

77. At all times mentioned herein, Plaintiff was older than 65 years of age.

78. Defendants appropriated and retained Plaintiffs' life savings and retirement funds.

As alleged herein and above, defendants, Wolan and McCain, including other representatives of Defendants represented and ensured Plaintiff that Defendants' Investment Opportunity was safe and his investment with Defendants will only increase in value as the dollar is going to lose strength causing precious metals to increase in value. Additionally, Defendants, particularly, defendants, Wolan and McCain, repeatedly represented to Plaintiff that: he would be purchasing precious metals from Defendants at fair market value on the day of purchase; that he would be able to sell and/or Defendants would buy back any part or the whole

1 investment of the precious metals at anytime, without any penalty, for no less than
2 the same price he purchased them; and that the precious metals would be kept by
3 a third-party on his behalf. Based on Defendants repeated representations and
4 assurances, Plaintiff understood that Defendants' Investment Opportunity was
5 safe, risk-free, and that he would have access to his investment funds at any time
6 if he needed money.
7

8
9 79. In reliance on the repeated representations and assurances by Defendants,
10 particularly, defendants, Wolan and McCain, about Defendants' Investment
11 Opportunity, as set forth herein and above, Plaintiff agreed to purchase precious
12 metals from Defendants. To facilitate Plaintiff's purchase of the precious metals
13 from Defendants, Plaintiff received and signed a one-page Contract from
14 Defendants in order to participate in Defendants' Investment Opportunity, which
15 Plaintiff believed was based on Defendants' representations and assurances to
16 Plaintiff about Defendants' Investment Opportunity. See Exhibit "1" (i.e.,
17 Contract) attached hereto and fully incorporated herein by this reference.
18
19
20

21 80. Thereafter, in August of 2017, in reasonable and justifiable reliance on the
22 aforementioned representations and assurances by the Defendants, the Plaintiff
23 purchased thousands of precious metals, including coins, from Defendants.
24 Plaintiff paid Defendants, based on their invoice dated August 7, 2017, the
25 amount of \$367,530.00. Additionally, Plaintiff paid Defendants, based on their
26 invoice dated August 23, 2017, the amount of \$94,282.50. See Exhibit "2" (i.e.,
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1 the two August 2017 invoices) attached hereto and fully incorporated herein by
2 this reference.

3
4 81. In or around October 2017, Plaintiff received a statement from Strata Trust
5 Company which reflected the value of his investment with Defendants. To
6 Plaintiff's shock and surprise, unlike what he was promised, the value of his
7 investment with Defendants had decreased. Within about two months' time, the
8 Plaintiff's \$461,812.50 investment with Defendants had lost about \$250,000.00 in
9 value.
10

11
12 82. Defendants, particularly, defendants, Wolan, McCain, and Sachs, told Plaintiff
13 that the statements from Strata Trust Company did not represent the accurate
14 value of Plaintiff's investment with the Defendants because the coins in question
15 were minted in Canada specifically for Defendants, which had a higher value than
16 Strata Trust Company was reflecting on the statements. As a result, Defendants,
17 particularly, defendants, Wolan, McCain, and Sachs, would continuously tell
18 Plaintiff that he needed to be patient, wait, and not take any action.
19
20

21 83. Nevertheless, Plaintiff informed the Defendants of his intention to sell the
22 precious metals and for the Defendants to buy them back for the same price the
23 Plaintiff paid for them as Defendants had repeatedly promised. Defendants,
24 however, refused to do so and instead told Plaintiff that they could not repurchase
25 them for another three to five years all while continuing to represent to Plaintiff
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1 that he had not lost any money because the precious metals that he bought from
2 Defendants were worth as much as he paid for them.

3
4 84. Notwithstanding Defendants' continuing representation that Plaintiff had not lost
5 any money, Plaintiff continued receiving statements that showed the value of his
6 investment kept on losing value. Ultimately, in an effort to preserve what was left
7 of his life savings and retirement funds, Plaintiff was forced to engage others to
8 sell his investments with Defendants because Defendants continued to refuse to
9 sell or buy back any part of the precious metals they had sold to him. Plaintiff was
10 only able to recover about \$158,000.00 of what Plaintiff invested with the
11 Defendants.
12

13
14 85. Defendants appropriated and retained the Plaintiff's life savings and retirement
15 funds for wrongful use, with the intent to defraud, and/or by undue influence.
16 Defendants engaged in such misconduct either directly, or assisted each other in
17 such misconduct.
18

19
20 86. As a result of Defendants' misconduct, as alleged herein and above, the Plaintiff
21 was harmed and Defendants' misconduct was a substantial factor in causing
22 Plaintiff's harm.
23

24 87. As a factual and legal result of Defendant's misconduct, as alleged herein and
25 above, Plaintiff has been damaged for an amount, in excess of \$500,000.00, to be
26 proven at the time of the trial together with the interest thereon.
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1 88. Additionally, Defendants' conduct was willful and malicious and without regard
2 for the well-being of the Plaintiff, thus entitling Plaintiff to an award of punitive
3 damages pursuant to Civ. Code § 3294 in excess of \$7,000,000.00.

4
5 89. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff is
6 entitled to recover from Defendant in accordance with the terms of the agreements
7 alleged herein or as may be provided by law (e.g., Welf. & Inst. Code §15657.5).

8
9 **SIXTH CAUSE OF ACTION FOR CONVERSION**

10 **(Plaintiff against All Defendants)**

11
12 90. Plaintiff incorporates by reference each and every allegation of the above
13 paragraphs as though set forth fully herein.

14
15 91. At all times relevant herein, Plaintiff had an ownership interest in his life savings
16 and retirement funds, including without limitation, all amounts of money paid to
17 Defendants in connection with Defendant's Investment Opportunity.

18
19 92. Defendants are in possession of all the money the Plaintiff paid in connection
20 with Defendant's Investment Opportunity.

21
22 93. Despite multiple demands by Plaintiff for the return of his money, Defendants
23 have refused to pay back the money and continue to hold such money belonging
24 to Plaintiff without his consent in converting the same to Defendants' own use.

25
26 94. As a factual and legal result of Defendant's misconduct, as alleged herein and
27 above, Plaintiff has been damaged for an amount, in excess of \$500,000.00, to be
28 proven at the time of the trial together with the interest thereon.

1 95. Additionally, Defendants' conduct was willful and malicious and without regard
2 for the well-being of Plaintiff, thus entitling Plaintiff to an award of punitive
3 damages pursuant to Civ. Code § 3294 in excess of \$7,000,000.00.
4

5 96. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff is
6 entitled to recover from Defendant in accordance with the terms of the agreements
7 alleged herein or as may be provided by law.
8

9 **SEVENTH CAUSE OF ACTION FOR COMMON COUNT**

10 **(MONEY HAD AND RECEIVED)**

11 **(Plaintiff against All Defendants)**

12
13 97. Plaintiff incorporates by reference each and every allegation of the above
14 paragraphs as though set forth fully herein.
15

16 98. Defendants received amounts of money that were intended for Plaintiff's benefit,
17 including without limitation, payments Plaintiff made to Defendants in connection
18 with Defendant's Investment Opportunity.
19

20 99. Despite multiple demands by Plaintiff for the return of his money, Defendants
21 have refused to pay back the money and continue to hold said money.
22

23 100. As a factual and legal result of Defendant's misconduct, as alleged herein and
24 above, Plaintiff has been damaged for an amount, in excess of \$500,000.00, to be
25 proven at the time of the trial together with the interest thereon.
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101. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff is entitled to recover from Defendant in accordance with the terms of the agreements alleged herein or as may be provided by law.

**EIGHTH CAUSE OF ACTION FOR UNFAIR AND DECEPTIVE
BUSINESS PRACTICES CAL. B & P § 17200, ET. SEQ.**

(Plaintiff against All Defendants)

102. Plaintiff incorporates by reference each and every allegation of the above paragraphs as though set forth fully herein.

103. Business and Professions Code § 17200 states, in pertinent part: "...unfair competition shall mean and include any unlawful, unfair or fraudulent business act or practice and unfair, deceptive, untrue or misleading advertising and any act prohibited by Chapter 1 (commencing with Section 17500) of Part 3 of Division 7 of the Business and Professions Code" and allows an aggrieved party to seek restitution and relief from the court enjoining such unfair and fraudulent acts and practices.

104. At all times mentioned herein, Defendants engaged in "unlawful", "unfair", and "fraudulent" business practices because its conduct was immoral, unethical, oppressive, unscrupulous and substantially damaging to Plaintiff. Specifically, and without limitation, the particular offensive conduct includes Defendants' representations and assurances to Plaintiff that: Defendants' Investment Opportunity was safe and his investment with Defendants will only increase in

1 value as the dollar is going to lose strength causing precious metals to increase in
2 value; Defendants, particularly, defendants, Wolan and McCain, repeatedly
3 representing that Plaintiff would be purchasing precious metals from Defendants
4 at fair market value on the day of purchase; that Plaintiff would be able to sell
5 and/or Defendants would buy back any part or the whole investment of the
6 precious metals at anytime, without any penalty, for no less than the same price
7 Plaintiff purchased them; and that the precious metals would be kept by a third-
8 party on his behalf; when, in fact, Plaintiff's investment with Defendants lost
9 almost all of its value; Defendants refused and continues to refuse to sell or buy
10 back any of the precious metals Plaintiff bought from Defendants in connection
11 with Defendants' Investment Opportunity at the prices Plaintiff bought them from
12 Defendants.
13
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17 105. At all times mentioned herein, Defendants engaged in "fraudulent" business
18 practices because members of the public are likely to be deceived as a result of
19 the conduct alleged herein and above.
20

21 106. As a factual and legal result of Defendant's misconduct, as alleged herein and
22 above, Plaintiff has been damaged for an amount, in excess of \$500,000.00, to be
23 proven at the time of the trial together with the interest thereon. Plaintiff therefore
24 seeks restitution from Defendants.
25

26 107. Defendants' conduct, as alleged herein and above, was willful and malicious
27 and without regard for the well-being of Plaintiff, thus entitling Plaintiff to an
28

1 award of punitive damages pursuant to Civ. Code § 3294 in excess of
2 \$7,000,000.00.

3
4 108. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff
5 is entitled to recover from Defendant in accordance with the terms of the
6 agreements alleged herein or as may be provided by law.

7
8 109. Additionally, Defendants' conduct has caused, and unless enjoined will
9 continue to cause, irreparable injury to, including harm to the public especially the
10 elderly whom, are targeted by the Defendants, for which money cannot
11 adequately compensate. Plaintiff has no adequate remedy at law for these wrongs
12 and injuries. Plaintiff is, therefore, entitled to a preliminary and permanent
13 injunction restraining and enjoining Defendants and their agents, servants, and
14 employees, and all persons acting thereunder, in concert with, or on their behalf,
15 from further acts of unfair competition, including (a) engaging in additional
16 misappropriation of others; (b) engaging in acts which would be harmful to the
17 public, including selling products, including without limitation, Defendants'
18 Investment Opportunity, under the same type of misrepresentations; (c) any
19 actions which are fraudulent, including continuing to make misrepresentations to
20 prospective customers as they had done to Plaintiff; and (d) engaging in self-
21 dealing, including usurping opportunities.
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NINTH CAUSE OF ACTION FOR VIOLATION OF PENAL CODE § 496(a)

(Plaintiff against All Defendants)

110. Plaintiff incorporates by reference each and every allegation of the above paragraphs as though set forth fully herein.

111. Penal Code § 496(a) states that “Every person who buys or receives any property that has been stolen or that has been obtained in any manner constituting theft or extortion, knowing the property to be so stolen or obtained, or who conceals, sells, withholds, or aids in concealing, selling, or withholding any property from the owner, knowing the property to be so stolen or obtained, shall be punished by imprisonment in a state prison, or in a county jail for not more than one year.”

112. Penal Code § 496© states that “Any person who has been injured by a violation of subdivision (a) or (b) may bring an action for three times the amount of actual damages, if any, sustained by the plaintiff, costs of suit, and reasonable attorney’s fees.”

113. As alleged herein and above, Defendants induced Plaintiff under false pretenses to use Plaintiff’s life savings and retirement funds to buy into Defendants’ Investment Opportunity and to purchase precious metals from Defendants in connection with the Investment Opportunity.

114. As alleged herein and above, defendants, Wolan and McCain, including other representatives of Defendants represented and ensured Plaintiff that Defendants’

1 Investment Opportunity was safe and his investment with Defendants will only
2 increase in value as the dollar is going to lose strength causing precious metals to
3 increase in value. Additionally, Defendants, particularly, defendants, Wolan and
4 McCain, repeatedly represented to Plaintiff that: he would be purchasing precious
5 metals from Defendants at fair market value on the day of purchase; that he would
6 be able to sell and/or Defendants would buy back any part or the whole
7 investment of the precious metals at any time, without any penalty, for no less
8 than the same price he purchased them; and that the precious metals would be
9 kept by a third-party on his behalf. Based on Defendants repeated representations
10 and assurances, Plaintiff understood that Defendants' Investment Opportunity was
11 safe, risk-free, and that he would have access to his investment funds at any time
12 if he needed money.

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17 115. In reliance on the repeated representations and assurances by Defendants,
18 particularly, defendants, Wolan and McCain, about Defendants' Investment
19 Opportunity, as set forth herein and above, Plaintiff agreed to purchase precious
20 metals from Defendants. To facilitate Plaintiff's purchase of the precious metals
21 from Defendants, Plaintiff received and signed a one-page Contract from
22 Defendants in order to participate in Defendants' Investment Opportunity, which
23 Plaintiff believed was based on Defendants' representations and assurances to
24 Plaintiff about Defendants' Investment Opportunity. See Exhibit "1" (i.e.,
25 Contract) attached hereto and fully incorporated herein by this reference.
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1 116. Thereafter, in August of 2017, in reasonable and justifiable reliance on the
2 aforementioned representations and assurances by the Defendants, Plaintiff
3 purchased thousands of precious metals, including coins, from Defendants.
4 Plaintiff paid Defendants, based on their invoice dated August 7, 2017, the
5 amount of \$367,530.00. Additionally, Plaintiff paid Defendants, based on their
6 invoice dated August 23, 2017, the amount of \$94,282.50. See Exhibit “2” (i.e.,
7 the two August 2017 invoices) attached hereto and fully incorporated herein by
8 this reference.
9

10
11 117. In or around October 2017, Plaintiff received a statement from Strata Trust
12 Company which reflected the value of his investment with Defendants. To
13 Plaintiff’s shock and surprise, unlike what he was promised, the value of his
14 investment with Defendants had decreased over \$211,000.00. Within about two
15 months’ time, the Plaintiff’s \$461,812.50 investment with Defendants had lost
16 about \$250,000.00 in value.
17

18
19 118. Defendants, particularly, defendants, Wolan, McCain, and Sachs, told Plaintiff
20 that the statements from Strata Trust Company did not represent the accurate
21 value of Plaintiff’s investment with the Defendants because the coins in question
22 were minted in Canada specifically for Defendants, which had a higher value than
23 Strata Trust Company was reflecting on the statements. As a result, Defendants,
24 particularly, defendants, Wolan, McCain, and Sachs, would continuously tell
25 Plaintiff that he needed to be patient, wait, and not take any action.
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1 119. Nevertheless, Plaintiff informed the Defendants of his intention to sell the
2 precious metals and for the Defendants to buy them back for the same price the
3 Plaintiff paid for them as Defendants had repeatedly promised. Defendants,
4 however, refused to do so and instead told Plaintiff that they could not repurchase
5 them for another three to five years all while continuing to represent to Plaintiff
6 that he had not lost any money because the precious metals that he bought from
7 Defendants were worth as much as he paid for them.
8

9
10 120. Notwithstanding Defendants' continuing representation that Plaintiff had not
11 lost any money, Plaintiff continued receiving statements that showed the value of
12 his investment kept on losing value. Ultimately, in an effort to preserve what was
13 left of his life savings and retirement funds, Plaintiff was forced to engage others
14 to sell his investments with Defendants because Defendants continued to refuse to
15 sell or buy back any part of the precious metals they had sold to him. Plaintiff was
16 only able to recover about \$158,000.00 of what Plaintiff invested with the
17 Defendants.
18

19
20
21 121. As a factual and legal result of Defendant's misconduct, as alleged herein and
22 above, Plaintiff has been damaged for an amount, in excess of \$1,500,000.00, to
23 be proven at the time of the trial together with the interest thereon.
24

25 122. Additionally, Defendants' conduct was willful and malicious and without
26 regard for the well-being of Plaintiff, thus entitling Plaintiff to an award of
27 punitive damages pursuant to Civ. Code § 3294 in excess of \$7,000,000.00.
28

1 123. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff
2 is entitled to recover from Defendant in accordance with the terms of the
3 agreements alleged herein or as may be provided by law (e.g., Penal Code §
4 496©).

6 **TENTH CAUSE OF ACTION FOR CIVIL CONSPIRACY**

7
8 **(Plaintiff against All Defendants)**

9 124. Plaintiff incorporates by reference each and every allegation of the above
10 paragraphs as though set forth fully herein.

11 125. Defendants and each of them knowingly and willfully conspired and agreed
12 among themselves to perpetrate a fraud on Plaintiff to steal his life savings and
13 retirement funds for Defendants' own benefit. Defendants conspired to violate
14 Plaintiff's rights for all the causes of action alleged in this pleading.

15 126. Defendants and each of them did the acts and things alleged herein and above
16 pursuant to, and in furtherance of, the conspiracy and above-alleged conspiracy
17 agreement.

18 127. As a factual and legal result of Defendant's misconduct, as alleged herein and
19 above, Plaintiff has been damaged for an amount, in excess of \$500,000.00, to be
20 proven at the time of the trial together with the interest thereon.

21 128. Additionally, Defendants' conduct was willful and malicious and without
22 regard for the well-being of Plaintiff, thus entitling Plaintiff to an award of
23 punitive damages pursuant to Civ. Code § 3294 in excess of \$7,000,000.00.
24
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1 129. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff
2 is entitled to recover from Defendant in accordance with the terms of the
3 agreements alleged herein or as may be provided by law.
4

5 **ELEVENTH CAUSE OF ACTION FOR RESCISSION BASED ON**

6 **UNILATERAL MISTAKE**

7 **(Plaintiff against All Defendants)**

8
9 130. Plaintiff incorporates by reference each and every allegation of the above
10 paragraphs as though set forth fully herein.

11
12 131. Plaintiff entered into the Investment Opportunity with the Defendants based
13 upon Plaintiff's understanding of Defendant's Investment Opportunity as a stated
14 herein and above.

15
16 132. As result of Defendants' representations and assurances, as alleged herein and
17 above, Plaintiff was mistaken in believing that Defendants' Investment
18 Opportunity was safe and his investment with Defendants will only increase in
19 value as the dollar is going to lose strength causing precious metals to increase in
20 value; that Plaintiff would be purchasing precious metals from Defendants at fair
21 market value on the day of purchase; that Plaintiff would be able to sell and/or
22 Defendants would buy back any part or the whole investment of the precious
23 metals at any time, without any penalty, for no less than the same price he
24 purchased them; and that the precious metals would be kept by a third-party on
25 his behalf.
26
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1 133. Plaintiff's mistake was not caused by any neglect of a legal duty.

2 134. Defendants knew of Plaintiff's mistaken belief and used Plaintiff's mistake to
3 take advantage of Plaintiff by inducing Plaintiff to enter into the Contract to buy
4 into Defendant's Investment Opportunity and to purchase precious metals from
5 Defendants in connection with the Investment Opportunity.
6

7
8 135. Indeed, in August of 2017, in reasonable and justifiable reliance on the
9 aforementioned representations and assurances by the Defendants, Plaintiff
10 agreed to purchase precious metals from Defendants. To facilitate Plaintiff's
11 purchase of the precious metals from Defendants, Plaintiff received and signed a
12 one-page Contract from Defendants in order to participate in Defendants'
13 Investment Opportunity, which Plaintiff believed was based on Defendants'
14 representations and assurances to Plaintiff about Defendants' Investment
15 Opportunity. See Exhibit "1" (i.e., Contract) attached hereto and fully
16 incorporated herein by this reference.
17
18

19
20 136. Plaintiff purchased thousands of precious metals, including coins, from
21 Defendants. Plaintiff paid Defendants, based on their invoice dated August 7,
22 2017, the amount of \$367,530.00. Additionally, Plaintiff paid Defendants, based
23 on their invoice dated August 23, 2017, the amount of \$94,282.50. See Exhibit
24 "2" (i.e., the two August 2017 invoices) attached hereto and fully incorporated
25 herein by this reference.
26
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28

1 137. In or around October 2017, Plaintiff received a statement from Strata Trust
2 Company which reflected the value of his investment with Defendants. To
3 Plaintiff's shock and surprise, unlike what he was promised, the value of his
4 investment with Defendants had decreased. Within about two months' time,
5 Plaintiff's \$461,812.50 investment with Defendants had lost about \$250,000.00 in
6 value.
7

8
9 138. Defendants later claimed that the terms of Plaintiff's investment with
10 Defendants were different than the terms of Plaintiff's mistaken belief.
11

12 139. Despite Plaintiff's notice to Defendants that the Contract was rescinded and
13 offer to restore to Defendants the precious metals Defendants sold to him on
14 condition that Defendants restore to Plaintiff all of the consideration Plaintiff paid
15 to Defendants for the precious metals, Defendants refused and continues to refuse
16 to do so.
17

18 140. Notwithstanding the aforementioned notice, Plaintiff intends service of
19 summons of this complaint to serve as notice of rescission of the Contract and
20 hereby offers to restore all consideration furnished by Defendants under said
21 Contract, on condition that Defendants restore to Plaintiff the consideration
22 furnished by Plaintiff.
23

24
25 141. Plaintiff will suffer irreparable and substantial harm if consideration furnished
26 by Plaintiff, with interest thereon at the maxim legal rate from the date of
27
28

1 rescission, is not restored, in that the consideration was Plaintiff's entire life
2 savings.

3
4 142. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff
5 is entitled to recover from Defendant in accordance with the terms of the
6 agreements alleged herein or as may be provided by law.

7
8 **TWELFTH CAUSE OF ACTION FOR RESCISSION**

9 **BASED ON FRAUD & FRAUDULENT INDUCEMENT**

10 **(Plaintiff against All Defendants)**

11
12 143. Plaintiff incorporates by reference each and every allegation of the above
13 paragraphs as though set forth fully herein.

14
15 144. As alleged herein and above, defendants, Wolan and McCain, including other
16 representatives of Defendants represented and ensured Plaintiff that Defendants'
17 Investment Opportunity was safe and his investment with Defendants will only
18 increase in value as the dollar is going to lose strength causing precious metals to
19 increase in value. Additionally, Defendants, particularly, defendants, Wolan and
20 McCain, repeatedly represented to Plaintiff that: he would be purchasing precious
21 metals from Defendants at fair market value on the day of purchase; that he would
22 be able to sell and/or Defendants would buy back any part or the whole
23 investment of the precious metals at anytime, without any penalty, for no less than
24 the same price he purchased them; and that the precious metals would be kept by
25 a third-party on his behalf. Based on Defendants repeated representations and
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1 assurances, Plaintiff understood that Defendants' Investment Opportunity was
2 safe, risk-free, and that he would have access to his investment funds at any time
3 if he needed money.
4

5 145. In reliance on the repeated representations and assurances by Defendants,
6 particularly, defendants, Wolan and McCain, about Defendants' Investment
7 Opportunity, as set forth herein and above, Plaintiff agreed to purchase precious
8 metals from Defendants. To facilitate Plaintiff's purchase of the precious metals
9 from Defendants, Plaintiff received and signed a one-page Contract from
10 Defendants in order to participate in Defendants' Investment Opportunity, which
11 Plaintiff believed was based on Defendants' representations and assurances to
12 Plaintiff about Defendants' Investment Opportunity. See Exhibit "1" (i.e.,
13 Contract) attached hereto and fully incorporated herein by this reference.
14
15
16

17 146. Thereafter, in August of 2017, in reasonable and justifiable reliance on the
18 aforementioned representations and assurances by the Defendants, the Plaintiff
19 purchased thousands of precious metals, including coins, from Defendants.
20 Plaintiff paid Defendants, based on their invoice dated August 7, 2017, the
21 amount of \$367,530.00. Additionally, Plaintiff paid Defendants, based on their
22 invoice dated August 23, 2017, the amount of \$94,282.50. See Exhibit "2" (i.e.,
23 the two August 2017 invoices) attached hereto and fully incorporated herein by
24 this reference.
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28

1 147. At the time that Defendants made the aforementioned representations and
2 assurances, Defendants knew that they were false.

3
4 148. Defendants made the aforementioned representations and assurances with the
5 intention to defraud and induce Plaintiff to buy into Defendants' Investment
6 Opportunity and buy precious metals from Defendants as part of the Investment
7 Opportunity.
8

9 149. Plaintiff reasonably and justifiably relied on Defendants' false representations
10 and assurances.

11
12 150. Had Plaintiff known the falsity of Defendants' representations and assurances,
13 Plaintiff would not have agreed to buy into Defendants' Investment Opportunity
14 or buy precious metals from Defendants as part of the Investment Opportunity or
15 entered into the aforementioned Contract to effectuate the same.
16

17 151. Despite Plaintiff's notice to Defendants that the Contract was rescinded and
18 offer to restore to Defendants the precious metals Defendants sold to him on
19 condition that Defendants restore to Plaintiff all of the consideration Plaintiff paid
20 to Defendants for the precious metals, Defendants refused and continues to refuse
21 to do so.
22

23
24 152. Notwithstanding the aforementioned notice, Plaintiff intends service of
25 summons of this complaint to serve as notice of rescission of the Contract and
26 hereby offers to restore all consideration furnished by Defendants under said
27
28

Contract, on condition that Defendants restore to Plaintiff the consideration furnished by Plaintiff.

153. As a factual and legal result of Defendant's misconduct, as alleged herein and above, Plaintiff will suffer irreparable and substantial harm if consideration furnished by Plaintiff, with interest thereon at the maxim legal rate from the date of rescission, is not restored, in that the consideration was Plaintiff's entire life savings.

154. Additionally, Defendants' conduct was willful and malicious and without regard for the well-being of Plaintiff, thus entitling Plaintiff to an award of punitive damages pursuant to Civ. Code § 3294 in excess of \$7,000,000.00.

155. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff is entitled to recover from Defendant in accordance with the terms of the agreements alleged herein or as may be provided by law.

THIRTEENTH CAUSE OF ACTION FOR RESCISSION

BASED ON NEGLIGENT MISREPRESENTATION

(Plaintiff against All Defendants)

156. Plaintiff incorporates by reference each and every allegation of the above paragraphs as though set forth fully herein.

157. As alleged herein and above, defendants, Wolan and McCain, including other representatives of Defendants represented and ensured Plaintiff that Defendants' Investment Opportunity was safe and his investment with Defendants will only

1 increase in value as the dollar is going to lose strength causing precious metals to
2 increase in value. Additionally, Defendants, particularly, defendants, Wolan and
3 McCain, repeatedly represented to Plaintiff that: he would be purchasing precious
4 metals from Defendants at fair market value on the day of purchase; that he would
5 be able to sell and/or Defendants would buy back any part or the whole
6 investment of the precious metals at anytime, without any penalty, for no less than
7 the same price he purchased them; and that the precious metals would be kept by
8 a third-party on his behalf. Based on Defendants repeated representations and
9 assurances, Plaintiff understood that Defendants' Investment Opportunity was
10 safe, risk-free, and that he would have access to his investment funds at any time
11 if he needed money.
12

13
14
15
16 158. In reliance on the repeated representations and assurances by Defendants,
17 particularly, defendants, Wolan and McCain, about Defendants' Investment
18 Opportunity, as set forth herein and above, Plaintiff agreed to purchase precious
19 metals from Defendants. To facilitate Plaintiff's purchase of the precious metals
20 from Defendants, Plaintiff received and signed a one-page Contract from
21 Defendants in order to participate in Defendants' Investment Opportunity, which
22 Plaintiff believed was based on Defendants' representations and assurances to
23 Plaintiff about Defendants' Investment Opportunity. See Exhibit "1" (i.e.,
24 Contract) attached hereto and fully incorporated herein by this reference.
25
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1 159. Thereafter, in August of 2017, in reasonable and justifiable reliance on the
2 aforementioned representations and assurances by the Defendants, Plaintiff
3 purchased thousands of precious metals, including coins, from Defendants.
4 Plaintiff paid Defendants, based on their invoice dated August 7, 2017, the
5 amount of \$367,530.00. Additionally, Plaintiff paid Defendants, based on their
6 invoice dated August 23, 2017, the amount of \$94,282.50. See Exhibit “2” (i.e.,
7 the two August 2017 invoices) attached hereto and fully incorporated herein by
8 this reference.
9

10
11 160. Defendants’ representations and assurances to Plaintiff were not true.
12

13 161. While Defendants may have believed their representations and assurances to
14 Plaintiff were true, Defendants had no reasonable grounds for believing the
15 representations and assurances were true when Defendants made them.
16

17 162. Defendants intended that Plaintiff rely on their representations and assurances.
18

19 163. Plaintiff reasonably and justifiably relied on Defendants’ representations and
20 assurances.
21

22 164. Had Plaintiff known the falsity of Defendants’ representations and assurances,
23 Plaintiff would not have agreed to buy into Defendants’ Investment Opportunity
24 or buy precious metals from Defendants as part of the Investment Opportunity or
25 entered into the aforementioned Contract to effectuate the same.
26

27 165. Despite Plaintiff’s notice to Defendants that the Contract was rescinded and
28 offer to restore to Defendants the precious metals Defendants sold to him on

1 condition that Defendants restore to Plaintiff all of the consideration Plaintiff paid
2 to Defendants for the precious metals, Defendants refused and continues to refuse
3 to do so.
4

5 166. Notwithstanding the aforementioned notice, Plaintiff intends service of
6 summons of this complaint to serve as notice of rescission of the Contract and
7 hereby offers to restore all consideration furnished by Defendants under said
8 Contract, on condition that Defendants restore to Plaintiff the consideration
9 furnished by Plaintiff.
10

11 167. As a factual and legal result of Defendant's misconduct, as alleged herein and
12 above, Plaintiff will suffer irreparable and substantial harm if consideration
13 furnished by Plaintiff, with interest thereon at the maxim legal rate from the date
14 of rescission, is not restored, in that the consideration was Plaintiff's entire life
15 savings.
16

17 168. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff
18 is entitled to recover from Defendant in accordance with the terms of the
19 agreements alleged herein or as may be provided by law.
20

21 **FOURTEENTH CAUSE OF ACTION FOR RESCISSION**

22 **BASED ON LACK OF CONSIDERATION**

23 **(Plaintiff against All Defendants)**

24 169. Plaintiff incorporates by reference each and every allegation of the above
25 paragraphs as though set forth fully herein.
26
27
28

1 170. As a result of Defendants' breach of contract, fraud, negligent
2 misrepresentation, and fraudulent inducement upon Plaintiff with respect to
3 Defendants' Investment Opportunity, as alleged herein and above, the
4 consideration for Plaintiffs' obligation completely fails, thereby rendering it
5 entirely void.
6

7
8 171. Despite Plaintiff's notice to Defendants that the Contract was rescinded and
9 offer to restore to Defendants the precious metals Defendants sold to him on
10 condition that Defendants restore to Plaintiff all of the consideration Plaintiff paid
11 to Defendants for the precious metals, Defendants refused and continues to refuse
12 to do so.
13

14 172. Notwithstanding the aforementioned notice, Plaintiff intends service of
15 summons of this complaint to serve as notice of rescission of the Contract and
16 hereby offers to restore all consideration furnished by Defendants under said
17 Contract, on condition that Defendants restore to Plaintiff the consideration
18 furnished by Plaintiff.
19

20
21 173. As a factual and legal result of Defendant's misconduct, as alleged herein and
22 above, Plaintiff will suffer irreparable and substantial harm if consideration
23 furnished by Plaintiff, with interest thereon at the maxim legal rate from the date
24 of rescission, is not restored, in that the consideration was Plaintiff's entire life
25 savings.
26
27
28

1 174. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff
2 is entitled to recover from Defendant in accordance with the terms of the
3 agreements alleged herein or as may be provided by law.
4

5 **FIFTEENTH CAUSE OF ACTION FOR RESCISSION**

6 **BASED ON ILLEGALITY & PUBLIC INTEREST**

7 **(Plaintiff against All Defendants)**

8
9 175. Plaintiff incorporates by reference each and every allegation of the above
10 paragraphs as though set forth fully herein.
11

12 176. As a result of Defendants' financial elder abuse, unfair and deceptive business
13 practices, and violation of Penal Code § 496(a) against Plaintiff with respect to
14 Defendants' Investment Opportunity, as alleged herein and above, the Contract
15 alleged herein is unlawful and its enforcement would be prejudicial to the public
16 interest.
17

18 177. Despite Plaintiff's notice to Defendants that the Contract was rescinded and
19 offer to restore to Defendants the precious metals Defendants sold to him on
20 condition that Defendants restore to Plaintiff all of the consideration Plaintiff paid
21 to Defendants for the precious metals, Defendants refused and continues to refuse
22 to do so.
23

24
25 178. Notwithstanding the aforementioned notice, Plaintiff intends service of
26 summons of this complaint to serve as notice of rescission of the Contract and
27 hereby offers to restore all consideration furnished by Defendants under said
28

Contract, on condition that Defendants restore to Plaintiff the consideration furnished by Plaintiff.

179. As a factual and legal result of Defendant's misconduct, as alleged herein and above, Plaintiff will suffer irreparable and substantial harm if consideration furnished by Plaintiff, with interest thereon at the maxim legal rate from the date of rescission, is not restored, in that the consideration was Plaintiff's entire life savings.

180. Additionally, Defendants' conduct was willful and malicious and without regard for the well-being of the Plaintiff, thus entitling Plaintiff to an award of punitive damages pursuant to Civ. Code § 3294 in excess of \$7,000,000.00.

181. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff is entitled to recover from Defendant in accordance with the terms of the agreements alleged herein or as may be provided by law.

SIXTEENTH CAUSE OF ACTION FOR CANCELLATION OF

INSTRUMENTS (CIVIL CODE § 3412)

(Plaintiff against All Defendants)

182. Plaintiff incorporates by reference each and every allegation of the above paragraphs as though set forth fully herein.

183. As a result of Defendants' breach of contract, fraud, negligent misrepresentation, fraudulent inducement, financial elder abuse, unfair and deceptive business practices, and violation of Penal Code § 496(a) against

1 Plaintiff with respect to Defendants' Investment Opportunity, as alleged herein
2 and above, the consideration for Plaintiffs' obligation completely fails, thereby
3 rendering the Contract allege herein entirely void, voidable, subject to rescission,
4 and/or otherwise invalid.

6 184. Plaintiff is under a reasonable apprehension that the Contract may cause
7 serious injury to Plaintiff if left outstanding where Defendants have refused and
8 continues to refuse to sell or buy back the precious metals Plaintiff bought from
9 Defendants for the same price Plaintiff paid for them.

11 185. Accordingly, Plaintiff requests that the Contract be adjudged as void, voidable,
12 subject to rescission, and/or otherwise invalid and thereby ordered canceled.

14 186. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff
15 is entitled to recover from Defendant in accordance with the terms of the
16 agreements alleged herein or as may be provided by law.

18 **SEVENTEENTH CAUSE OF ACTION**

19 **FOR RESTITUTION (UNJUST ENRICHMENT)**

21 **(Plaintiff against All Defendants)**

22 187. Plaintiff incorporates herein by reference each and every allegation of the
23 above paragraphs as though set forth fully herein.

25 188. At all times relevant herein, Plaintiff had an ownership interest in his life
26 savings and retirement funds, including without limitation, all moneys paid to
27 Defendants in connection with Defendant's Investment Opportunity.
28

189. Defendants are in possession of all the money Plaintiff paid in connection with Defendant's Investment Opportunity.

190. Despite multiple demands by Plaintiff for the return of his money, Defendants have refused to pay back the money and continue to hold such money belonging to Plaintiff.

191. As result of Defendants' failure and refusal to pay all moneys belonging to Plaintiff, Defendants, at all times relevant herein, have been and continues to be unjustly enriched at the expense of Plaintiff.

192. As a factual and legal result of Defendant's misconduct, as alleged herein and above, Plaintiff has been damaged for an amount, in excess of \$500,000.00, to be proven at the time of the trial together with the interest thereon. Plaintiff therefore seeks restitution from Defendants.

193. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff is entitled to recover from Defendant in accordance with the terms of the agreements alleged herein or as may be provided by law.

EIGHTEENTH CAUSE OF ACTION FOR ACCOUNTING

(Plaintiff against All Defendants)

194. Plaintiff incorporates herein by reference each and every allegation of the above paragraphs as though set forth fully herein.

195. As alleged herein and above, defendants, Wolan and McCain, including other representatives of Defendants represented and ensured Plaintiff that Defendants'

Investment Opportunity was safe and his investment with Defendants will only increase in value as the dollar is going to lose strength causing precious metals to increase in value. Additionally, Defendants, particularly, defendants, Wolan and McCain, repeatedly represented to Plaintiff that: he would be purchasing precious metals from Defendants at fair market value on the day of purchase; that he would be able to sell and/or Defendants would buy back any part or the whole investment of the precious metals at anytime, without any penalty, for no less than the same price he purchased them; and that the precious metals would be kept by a third-party on his behalf. Based on Defendants repeated representations and assurances, Plaintiff understood that Defendants' Investment Opportunity was safe, risk-free, and that he would have access to his investment funds at any time if he needed money.

196. In reliance on the repeated representations and assurances by Defendants, particularly, defendants, Wolan and McCain, about Defendants' Investment Opportunity, as set forth herein and above, Plaintiff agreed to purchase precious metals from Defendants. To facilitate Plaintiff's purchase of the precious metals from Defendants, Plaintiff received and signed a one-page Contract from Defendants in order to participate in Defendants' Investment Opportunity, which Plaintiff believed was based on Defendants' representations and assurances to Plaintiff about Defendants' Investment Opportunity. See Exhibit "1" (i.e., Contract) attached hereto and fully incorporated herein by this reference.

1 197. Thereafter, in August of 2017, in reasonable and justifiable reliance on the
2 aforementioned representations and assurances by the Defendants, the Plaintiff
3 purchased thousands of precious metals, including coins, from Defendants.
4 Plaintiff paid Defendants, based on their invoice dated August 7, 2017, the
5 amount of \$367,530.00. Additionally, Plaintiff paid Defendants, based on their
6 invoice dated August 23, 2017, the amount of \$94,282.50. See Exhibit "2" (i.e.,
7 the two August 2017 invoices) attached hereto and fully incorporated herein by
8 this reference.
9

10
11 198. In or around October 2017, Plaintiff received a statement from Strata Trust
12 Company which reflected the value of his investment with Defendants. To
13 Plaintiff's shock and surprise, unlike what he was promised, the value of his
14 investment with Defendants had decreased over \$211,000.00. Within about two
15 months' time, Plaintiff's \$461,812.50 investment with Defendants had lost about
16 \$250,000.00 in value.
17

18
19 199. In light of that, Plaintiff informed the Defendants of his intention to sell the
20 precious metals and for the Defendants to buy them back for the same price
21 Plaintiff paid for them as Defendants had repeatedly promised. Defendants,
22 however, refused to do so and instead told Plaintiff that they could not repurchase
23 them for another three to five years all while continuing to represent to Plaintiff
24 that he had not lost any money because the precious metals that he bought from
25 Defendants were worth as much as he paid for them.
26
27
28

1 200. Accordingly, Plaintiff demands an accounting of all payments received by
2 Defendants pursuant to the Contract in connection with the aforementioned
3 Investment Opportunity.
4

5 201. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff
6 is entitled to recover from Defendant in accordance with the terms of the
7 agreements alleged herein or as may be provided by law.
8

9 **NINETEENTH CAUSE OF ACTION FOR CIVIL RICO – SECTION 1962©**

10 **(Plaintiff against All Defendants)**

11 202. Plaintiff incorporates herein by reference each and every allegation of the
12 above paragraphs as though set forth fully herein.
13

14 203. Corporate Defendants, including defendants, Wolan, McCain, and Sachs
15 (collectively, "RICO Defendants"), comprises an enterprise that is engaged in and
16 whose activities affect interstate commerce. The RICO Defendants are employed
17 by or associated with the enterprise.
18

19 204. RICO Defendants agreed to and did conduct and participate in the conduct of
20 the enterprise's affairs through a pattern of racketeering activity and for the
21 unlawful purpose of intentionally defrauding Plaintiff.
22

23 205. Pursuant to and in furtherance of their fraudulent scheme, RICO Defendants
24 committed the following multiple related acts: RICO Defendants repeatedly
25 represented and assured Plaintiff that: the Investment Opportunity was safe and
26 had no risk of losing money; the Investment Opportunity was safe and his
27
28

1 investment with Defendants will only increase in value as the dollar is going to
2 lose strength causing precious metals to increase in value; Plaintiff would be
3 purchasing precious metals from the RICO Defendants at fair market value on the
4 day of purchase; that Plaintiff would be able to sell and/or RICO Defendants
5 would buy back any part or the whole investment of the precious metals at any
6 time, without any penalty, for no less than the same price Plaintiff purchased
7 them; and that the precious metals would be kept by a third-party on his behalf;
8 when, in fact, Plaintiff's investment with RICO Defendants lost almost all of its
9 value; the RICO Defendants refused and continue to refuse to sell or buy back any
10 of the precious metals Plaintiff bought from RICO Defendants in connection with
11 the Investment Opportunity at the prices Plaintiff bought them from the RICO
12 Defendants.
13
14
15
16

17 206. The acts set forth above constitute a pattern of racketeering activity pursuant to
18 18 U.S.C. § 1961(5).
19

20 207. The RICO Defendant(s) have directly and indirectly conducted and
21 participated in the conduct of the enterprise's affairs through the pattern of
22 racketeering and activity described above, in violation of 18 U.S.C. § 1962©.
23

24 208. As a factual and legal result of RICO Defendants' racketeering activities and
25 violations of 18 U.S.C. § 1962©, as alleged herein and above, Plaintiff has been
26 damaged for an amount, including treble damages pursuant to 18 U.S.C. § 1964©,
27
28

1 in excess of \$2,000,000.00, to be proven at the time of the trial together with the
2 interest thereon.

3
4 209. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff
5 is entitled to recover from RICO Defendant in accordance with the terms of the
6 agreements alleged herein or as may be provided by law (e.g., 18 U.S.C. §
7 1964©).

8
9 **TWENTIETH CAUSE OF ACTION FOR CIVIL RICO – SECTION 1962(d)**

10 **(Plaintiff against All Defendants)**

11
12 210. Plaintiff incorporates herein by reference each and every allegation of the
13 above paragraphs as though set forth fully herein.

14 211. As set forth above, the RICO Defendants agreed and conspired to violate 18
15 U.S.C. § 1962©. Specifically, Defendants have intentionally conspired and agreed
16 to conduct and participate in the conduct of the affairs of the enterprise through a
17 pattern of racketeering activity to perpetrate a fraud on Plaintiff to steal his life
18 savings and retirement funds for the RICO Defendants' own benefit.
19

20
21 212. The RICO Defendants knew that their predicate acts were part of a pattern of
22 racketeering activity and agreed to the commission of those acts to further the
23 schemes described above. That conduct constitutes a conspiracy to violate 18
24 U.S.C. § 1962©, in violation of 18 U.S.C. § 1962(d).

25
26 213. As a factual and legal result of RICO Defendants' conspiracy, the overt acts
27 taken in furtherance of that conspiracy, and violations of 18 U.S.C. § 1962(d), as
28

1 alleged herein and above, Plaintiff has been damaged for an amount, including
2 treble damages pursuant to 18 U.S.C. § 1964©, in excess of \$2,000,000, to be
3 proven at the time of the trial together with the interest thereon.
4

5 214. Moreover, Plaintiff has incurred attorney's fees and costs, all of which Plaintiff
6 is entitled to recover from RICO Defendant in accordance with the terms of the
7 agreements alleged herein or as may be provided by law (e.g., 18 U.S.C. §
8 1964©).
9

10 **PRAYER FOR RELIEF**

11 WHEREFORE, Plaintiff prays for relief as follows:
12

- 13 1. That Plaintiff is awarded judgment in this action;
- 14 2. That Plaintiff is awarded compensatory damages, including general damages,
15 special damages, statutory damages, punitive or treble damages, and such other
16 relief as provided by agreement or statutes cited herein and above;
- 17 3. That Plaintiff is awarded compensatory damages, including general damages,
18 special damages, statutory damages, treble damages, and such other relief as
19 provided by the civil RICO remedies cited herein and above;
- 20 4. Pre-judgment and post-judgment interest on such monetary relief;
- 21 5. Equitable relief in the form of an injunction prohibiting the misconduct
22 described herein and above against Plaintiff and all those similarly situated to
23 the extent allowed by law;
24
25
26
27
28

6. Declaratory relief determining the rights and obligations of the parties on any contract that may exist among the parties; a determination that the alleged Agreement of Defendants is null and void; a declaration that only the one page Plaintiff signed is the Contract; that the subsequent pages of the Agreement were never a part of the Agreement; that the arbitration provision of the alleged agreement was not agreed to by the Plaintiff, is not applicable, and is null and void; that the Plaintiff never agreed to anything beyond the first page, or alternatively the front and back, as right above the signature of Plaintiff it is stated that the Plaintiff is agreeing only “to the terms set forth on the front and back of this Agreement[.]”; prohibiting the misconduct described herein and above;
7. The recession of the agreement and all relevant documents for reasons stated above;
8. For constructive trust over the funds of Plaintiff and all those funds made using the funds of the Plaintiff to the extent allowed by law;
9. An accounting as described herein and above;
10. That Plaintiff is awarded reasonable attorney fees;
11. That Plaintiff is awarded costs of suit incurred herein; and
12. For such other and further relief as the court may deem just and proper.

\\

\\

DEMAND FOR JURY TRIAL

Plaintiff demands a jury trial on all issues which can be tried by a jury.

DATED: April 4, 2019

KERENDIAN & ASSOCIATES, INC.



By: Shab D. Kerendian, Esq.,
Edrin Shamtab, Esq.,
Counsel for Plaintiff.

KERENDIAN & ASSOCIATES, INC.
11755 Wilshire Blvd., 15th Floor
Los Angeles, CA 90025

EXHIBIT 1

EXHIBIT 1

SHIPPING AND TRANSACTION AGREEMENT

CUSTOMER INFORMATION	Customer Name:	Stephen Matteo	
	Street Address:	1828 Puukaa Street	Evening Phone: 808.482.0121
	City / State / Zip:	Kapaa, HI 96746	Daytime Phone:
	Email Address:	barbandsteve@att.net	
	By signing below, I acknowledge that I have read, understand, and hereby agree to the terms set forth on the front and back of this Agreement.		
	Dated:	08/07/2017	Customer's Signature: <i>S. Matteo</i>

PRECEDENTIALS	<i>Steve Matteo</i> Initial Here	By initializing in the space provided, and by your signature on this agreement, you hereby expressly authorize CM to telephone you at the number(s) provided above, irrespective of whether or not your telephone number appears in the "National Do Not Call Registry," 16 CFR§310.4(b)(1)(iii)(B)(i) and (ii).

Chase Metals (and its affiliates) (collectively, "CM") and the individual identified above ("Customer") agree that the following terms of this Shipping and Transaction Agreement ("Agreement") shall govern the pending and all future transactions between the parties involving all precious metals, in any form, that is the subject of all transactions between CM and Customer, and shall include, but is not limited to, bullion bars and coins, semi-Numismatic coins and bars, Numismatic coins and bars, "junk silver," and bags (and partial bags) of coins (collectively "Precious Metals.") This Agreement shall apply to all purchases from and sales to CM involving Customer, present and future. CM is not an investment advisor, consultancy, licensed brokerage, or banking institution.

1. Delivery of Precious Metals Purchased: Customer must deliver funds sufficient to cover the entirety of Customer's purchase from CM within five (5) business days of Customer's placement of the order ("Purchase Funds"). Purchase Funds may be delivered by check, credit card, or wire transfer. With the limited exception noted in Paragraph 8a, all sales, including credit card sales, are final (i.e., the Precious Metals cannot be exchanged or returned for a refund). Checks may be made out to Chase Metals (For wire transfer instructions, please contact your CM sales representative.) CM shall deliver the Precious Metals specified in Customer's order to a suitable delivery service for delivery to Customer no more than twenty-eight (28) days after CM verifies that the Purchase Funds provided are backed by good funds. (Please note that it may take 12 business days to verify personal checks.) If Customer fails to provide the Purchase Funds within five (5) business days of Customer's placement of the order, CM may exercise the rights set forth in Paragraph 4, below.

2. Delivery of Precious Metals: CM shall cause all Precious Metals purchased and paid for to be delivered to Customer's address set forth above. CM only uses reputable, nationally recognized delivery services to deliver its Precious Metals. If, however, Customer's order is lost prior to delivery, Customer is instructed to notify CM, in writing, immediately. Notice of any such alleged loss should be sent to: Chase Metals, Attention: Customer Service, 330 S Center St, suite 407 Casper, WY 82601. If the delivery service verifies that Customer's Precious Metals were never delivered, CM shall, within forty-five (45) days of such verification, in its sole discretion, either refund to Customer the full purchase price for such undelivered Precious Metals or replace such Precious Metals with other Precious Metals of the same denomination/type and grade. CM assumes no responsibility for Precious Metals lost, damaged, stolen, or otherwise subject to casualty after delivery to Customer. CM assumes no risk of loss for any Precious Metals purchased from a Customer until such materials are delivered to and accepted by an authorized representative of CM.

EXHIBIT 2

EXHIBIT 2

August 7, 2017
INVOICE #[DW0807175M]**CHASEMETALS**433 N. Camden Dr, Suite 970
BEVERLY HILLS, CA 90210
Phone 800-463-1326
Email: CORPORATE@CHASEMETALS.COM**Steve Matteo**
Purchase Invoice
SDIRA Acct#
2017-36035340
pd**BILLING ADDRESS:**Chase Metals
433 N Camden Dr, Suite 970
BEVERLY HILLS, CA 90210**DELIVERY ADDRESS:**Delaware Depository Services Co.
3601 North Market Street
Wilmington, DE 19802**Comments or special instructions:**

DESCRIPTION	Quantity	Unit Price	AMOUNT
1oz Silver Maple Leaf Coin	100	\$18	\$1,800
1.5oz Silver Canadian Polar Bear & Cub Coin	6,450	\$56	\$361,200
5oz America the Beautiful Silver Coin	10	\$102	\$1,020.00
1oz Silver Maple Leaf Coin .9999	100	\$18	\$1,800.00
10oz Generic Silver Bars	10	\$171	1,710
TOTAL			\$367,530.00

RISK DISCLOSURE AND ACCOUNT AGREEMENT SIGNED AND UNDERSTOOD. ChaseMetals.com does not provide legal, tax, or investment advice. Nothing of the foregoing, or of any other written, electronic or oral statement or communication by Chase Metals or its representatives, is intended to be, or may be relied as, legal, tax or investment advice, statements, opinions or predictions. Prior to making any investment decisions, please consult with the appropriate legal, tax, and investment professionals for advice.

2

August 23, 2017
INVOICE #[LM082317SM]**CHASEMETALS***2nd purchase*433 N. Camden Dr, Suite 970
BEVERLY HILLS, CA 90210
Phone 800-463-1326
Email: CORPORATE@CHASEMETALS.COM**Steven Matteo**
Purchase Invoice
SDIRA Acct#
2017-36035*65 pd***BILLING ADDRESS:**Chase Metals
433 N Camden Dr, Suite 970
BEVERLY HILLS, CA 90210**DELIVERY ADDRESS:**Delaware Depository Services Co.
3601 North Market Street
Wilmington, DE 19802**Comments or special instructions:**

DESCRIPTION	Quantity	Unit Price	AMOUNT
1oz Silver Canadian Maple Leaf Coin	50	\$18.73	\$936.50
1.5oz Silver Canadian Polar Bear & Cub Coin	1600	\$56.00	\$89,600.00
1oz Silver Canadian Maple Leaf Coin	200	\$18.73	\$3,746.00
TOTAL			\$94,282.50

RISK DISCLOSURE AND ACCOUNT AGREEMENT SIGNED AND UNDERSTOOD. ChaseMetals.com does not provide legal, tax, or investment advice. Nothing of the foregoing, or of any other written, electronic or oral statement or communication by Chase Metals or its representatives, is intended to be, or may be relied as, legal, tax or investment advice, statements, opinions or predictions. Prior to making any investment decisions, please consult with the appropriate legal, tax, and investment professionals for advice.

EXHIBIT 3

EXHIBIT 3

SHIPPING AND TRANSACTION AGREEMENT

CUSTOMER INFORMATION	Customer Name:	Stephen Matteo	
	Street Address:	1828 Puukaa Street	Evening Phone: 808.482.0121
	City / State / Zip:	Kapaa, HI 96746	Daytime Phone:
	Email Address:	barbandsteve@att.net	
	By signing below, I acknowledge that I have read, understand, and hereby agree to the terms set forth on the front and back of this Agreement		
	Dated:	08/07/2017	Customer's Signature: <i>S. Matteo</i>

PRECEDENTIALS	<i>Steve Matteo</i> Initial Here	By initializing in the space provided, and by your signature on this agreement, you hereby expressly authorize CM to telephone you at the number(s) provided above, irrespective of whether or not your telephone number appears in the "National Do Not Call Registry," 16 CFR§310.4(b)(1)(iii)(B)(i) and (ii).

Chase Metals (and its affiliates) (collectively, "CM") and the individual identified above ("Customer") agree that the following terms of this Shipping and Transaction Agreement ("Agreement") shall govern the pending and all future transactions between the parties involving all precious metals, in any form, that is the subject of all transactions between CM and Customer, and shall include, but is not limited to, bullion bars and coins, semi-Numismatic coins and bars, Numismatic coins and bars, "junk silver," and bags (and partial bags) of coins (collectively "Precious Metals.") This Agreement shall apply to all purchases from and sales to CM involving Customer, present and future. CM is not an investment advisor, consultancy, licensed brokerage, or banking institution.

1. Delivery of Precious Metals Purchased: Customer must deliver funds sufficient to cover the entirety of Customer's purchase from CM within five (5) business days of Customer's placement of the order ("Purchase Funds"). Purchase Funds may be delivered by check, credit card, or wire transfer. With the limited exception noted in Paragraph 8a, all sales, including credit card sales, are final (i.e., the Precious Metals cannot be exchanged or returned for a refund). Checks may be made out to Chase Metals (For wire transfer instructions, please contact your CM sales representative.) CM shall deliver the Precious Metals specified in Customer's order to a suitable delivery service for delivery to Customer no more than twenty-eight (28) days after CM verifies that the Purchase Funds provided are backed by good funds. (Please note that it may take 12 business days to verify personal checks.) If Customer fails to provide the Purchase Funds within five (5) business days of Customer's placement of the order, CM may exercise the rights set forth in Paragraph 4, below.

2. Delivery of Precious Metals: CM shall cause all Precious Metals purchased and paid for to be delivered to Customer's address set forth above. CM only uses reputable, nationally recognized delivery services to deliver its Precious Metals. If, however, Customer's order is lost prior to delivery, Customer is instructed to notify CM, in writing, immediately. Notice of any such alleged loss should be sent to: Chase Metals, Attention: Customer Service, 330 S Center St, suite 407 Casper, WY 82601. If the delivery service verifies that Customer's Precious Metals were never delivered, CM shall, within forty-five (45) days of such verification, in its sole discretion, either refund to Customer the full purchase price for such undelivered Precious Metals or replace such Precious Metals with other Precious Metals of the same denomination/type and grade. CM assumes no responsibility for Precious Metals lost, damaged, stolen, or otherwise subject to casualty after delivery to Customer. CM assumes no risk of loss for any Precious Metals purchased from a Customer until such materials are delivered to and accepted by an authorized representative of CM.

3. Purchase Price:

a. Sales: The purchase price Customer has been quoted and agreed to pay includes CM operating margin on the transaction. Within the Precious Metals industry, the difference between CM cost on the day of the purchase (for the Precious Metals Customer has agreed to buy) and the retail price quoted to Customer is known as the "Spread." Spreads vary significantly - by Precious Metal, by customer, and over time. For Customer to make a profit, Customer must be able to sell the Precious Metals in the future for a price high enough to cover Customer's initial investment, including Spreads. Spreads may be subject to negotiation, and Spreads charged to Customer in a specific transaction may be more or less than the Spread charged to others in similar transactions or charged to Customer in prior or future transactions. At the time this Transaction Agreement was transmitted for Customer's signature, (i) CM's Spread on bullion (i.e., coins and bars that generally move in tandem with the spot price for the relevant commodity) is generally between one percent and five percent (1 to 5%), and (ii) CM's Spread on semi-Numismatic and Numismatic coins and bars is generally between seventeen percent and thirty-three percent (17 to 33%). Spreads for semi-Numismatic and Numismatic coins and bars are often in the range of approximately twenty-nine percent (29%). These numbers, however, are only general ranges and approximations, which are subject to change for a variety of reasons. The actual Spread on any particular transaction could be any amount within those ranges (or even possibly outside those ranges). For example, if a bullion coin or bar was quoted by CM at \$400, and included a ten percent (10%) spread, CM's cost for the bullion coin or bar would be \$360. Similarly, if CM quoted a Numismatic coin or bar at \$400, and included a twenty-five percent (25%) spread, CM's cost for that coin would be \$300. CM's Spread range may be different (higher and/or lower), and the Spread CM charges may be higher or lower, at the time of and for any given transaction. Customer acknowledges that the spot prices of Precious Metals do not necessarily move in tandem with the Precious Metals the Customer purchases. That means that the spot price and the liquidation value of the Precious Metals purchased by the Customer under this Agreement may perform differently from one another.

b. IRA Sales: Individual retirement account ("IRA") transactions are more expensive to process and can require CM to assume certain investment risk in connection with the transaction. As such, notwithstanding the general ranges set forth in Paragraph 3a, at the time this Agreement was transmitted for Customer's signature, CM's Spread on IRA Precious Metals transactions varies between two percent and thirty-three percent (2% to 33%). These numbers, however, are only general ranges and approximations, which are subject to change for a variety of reasons. The actual Spread on any particular transaction could be any amount within that range (or even possibly outside that range). Moreover, CM's Spread range may be different (higher and/or lower), and the Spread CM charges may be higher or lower, at the time of and for any given transaction. For example, a bullion coin or bar that ordinarily would be quoted by CM (outside an IRA) at \$400, with a ten percent (10%) Spread, might be quoted at \$480, with a twenty-five percent (25%) Spread, if the bullion coin or bar is purchased as an IRA investment. In both those examples, however, CM's cost for the bullion coin or bar would be \$360. CM makes no representations regarding the tax consequences of holding Precious Metals as an investment in an Individual retirement account ("IRA"). Client expressly acknowledges that Client has been advised to seek independent tax advice, from a qualified professional, regarding the tax consequences of such an investment. Further, please note that holding Precious Metals as an investment in an IRA may result in additional fees charged by third parties, not CM, such as depository and custodial fees that would be charged directly to the Client by such third parties. CM makes no opinions, statements, or recommendations in regards to how much or what percentage of Client's retirement account should be invested in precious metals.

c. Re-purchases: CM is prohibited by law from guaranteeing to repurchase Precious Metals that it sells. CM may, at its sole discretion, elect to re-purchase the Precious Metals that CM sells, and CM does not guarantee that it will re-purchase Precious Metals that Customer purchases from CM. In the event Customer seeks to sell its Precious Metals to CM, Customer understands and acknowledges that CM's re-purchase offer may be raised or lowered on a daily, even hourly or more basis, depending upon various market conditions, inventory needs, and the price and availability of comparable Precious Metals. CM does not guarantee that any re-purchase offer will equal the price that CM would pay to acquire the same denomination/type and grade of Precious Metal from a wholesaler, or that any offer made will be higher or equal to what someone else might offer for the same Precious Metals.

d. Certification: Customers who are selling Precious Metals to CM declare under penalty of perjury pursuant to 28 U.S.C. §1746 that (i) Customer either deals in such articles or otherwise by Customer's respective occupation or as a result of Customer's avocations as collector, speculator, or investor has and holds him or herself out as having knowledge or skill peculiar to such articles or the practices involved in the sale of such articles, and (ii) any sale to CM of coins, hallmark bars, registered ingots, and other items as Numismatic objects is for their Numismatic value.

Customers who are buying Precious Metals from CM declare under penalty of perjury pursuant to 28 U.S.C. §1746 that (i) Customer either deals in such articles or otherwise by Customer's respective occupation or as a result of Customer's avocations as collector, speculator, or investor has and holds him or herself out as having knowledge or skill peculiar to such articles or the practices involved in the purchase of such articles, and (ii) any purchase from CM of coins, hallmark bars, registered ingots, and other items as Numismatic objects is for their Numismatic value.

e. Quotes on Customer's Holdings: Customers may request a quote on their holdings at any time. When requesting a quote, please specify whether you are looking to purchase additional Precious Metals or sell your existing holdings - as CM's bid (buy from customer) and ask (sell to customer) quotes will vary. CM bases such quotes on a variety of factors, which are not necessarily tied or related to the prices quoted by, or factors considered by, its competitors.

f. Classification as Bullion, semi-Numismatic, or Numismatic: Whether a Precious Metal is classified as Bullion, semi-Numismatic, or Numismatic may turn on a number of objective and subjective factors, including the age of the Precious Metal, its condition, the number of known copies, the likelihood of additional minting, the originating country, relevant historical events or owners (e.g., shipwreck; royalty), relevance to the formation of various Precious Metal collections, and an investor's personal attraction to the piece. CM's classification of Precious Metals is only an opinion and may change over time (e.g., if additional quantities of the Precious Metal are discovered). In addition, given the subjective nature of the classification process, other dealers or investors may classify the same coin differently. CM's prices and spreads are based on its classification determination.

g. Customer Assumes Investment Risk; Investment Decisions. Customer acknowledges that purchases and sales of Precious Metals involve considerable risk. Market prices are at times volatile and may be affected by a variety of factors including, among others, general economic conditions, political events, monetary policies of various countries, fluctuations in production and demand, stock-piles, speculative activity and the degree of concern people have about these matters. It is impossible to forecast accurately how or to what degree these or other factors will affect prices. Customer acknowledges and agrees that Customer assumes the risk of all investment decisions regarding any and all Precious Metals the Customer purchases from CM and CM makes no guarantee or representation regarding Customer's ability to profit (or avoid loss) from any purchase or any representation regarding any tax implications of any purchase and the decision to purchase or sell Precious Metals. Any purchases from CM are made subject to Customer's own prudence, judgment and ultimate decision. Customer expressly acknowledges and agrees to hold CM harmless for any damages arising out of the performance by CM of this Agreement. Customer understands that past performance cannot be an indicative of future results.

4. Remedy for Customer's Failure to Perform: If Customer refuses to accept delivery of the Precious Metals ordered or fails to make payment when due, CM, in its sole discretion, may cancel the transaction and resell such Precious Metals on a wholesale basis. If the proceeds from such resale are less than the contract price with Customer, CM shall be entitled to recover from Customer the difference between the resale price and Customer's contract price, plus any incidental damages occasioned by Customer's breach. If the proceeds from such resale are more than the contract price with Customer, CM shall be entitled to keep the excess amount to cover CM's incidental damages.

5. Investment Objectives; Holding Period; Investment Risk; No Advice; Commissioned Sales Representatives:

a. CM is a seller and purchaser of Precious Metals. While CM is always prepared to compare and contrast the different Precious Metals that are available for purchase or that CM is willing to purchase, Customer acknowledges and agrees that (i) no fiduciary relationship exists between CM and Customer, (ii) the decision to purchase or sell Precious Metals, and which Precious Metals to purchase or sell, are the Customer's decision alone, and (iii) purchases or sales are made subject to Customer's own prudence and judgment.

b. In CM's opinion, Precious Metals should be considered a long-term investment. Customer should be prepared to hold any Precious Metals purchased - whether from CM or elsewhere - for at least a three to five year period, and preferably five to ten years, to maximize the potential for gains. In CM's opinion, Customer should only invest capital that can be held for at least this period of time. However, Precious Metals, like all investments, carry capital risk. Precious Metals may appreciate, depreciate, or stay the same depending on a variety of factors. CM cannot guarantee, and makes no representation, that the Precious Metals will appreciate at all or appreciate sufficiently to make Customer a profit at the expiration of this or any other period of time.

c. In CM's opinion, Customer should not invest more than twenty percent (20%) of Customer's available investment funds in Precious Metals. Moreover, Precious Metals do not yield income and thus are not an appropriate investment vehicle for investors seeking current or future income.

d. The success of an investment in Precious Metals is dependent, in part, upon extrinsic economic forces including but not limited to supply, demand, international monetary conditions, and inflation or the expectation of inflation. The impact of these forces on the values of Precious Metals in general or any particular Precious Metal cannot be predicted. Customer acknowledges that the Precious Metals market can be volatile and that Precious Metal prices may rise or fall over time. Customer further acknowledges that past performance is no guarantee of future performance.

e. CM does not provide tax, investment, or legal advice or advisory services, and no one associated with CM is authorized to provide any such advice or services. Any written or oral statements by CM, its officers, agents, sales representatives, or other representatives relating to future events or the attributes of certain Precious Metals are opinions only. Such statements, if any, are not representations of fact. Customer agrees, acknowledges, and represents that Customer has not, at any time, sought or been provided with tax, investment, or legal advice or advisory services, of any kind or nature from CM or any of its, affiliates, assigns, successors, agents, employees, contractors or other representatives.

f. CM's sales representatives are commissioned salespersons - i.e., their salary is based, at least in part, on the amount and profit margin of the Precious Metals they sell. In addition, from time to time, CM's sales representatives may receive other compensation tied to sales activity - e.g., sales contests; bonuses tied to the sale of certain denominations/types or grades of Precious Metals. CM's sales representatives are not licensed brokers and their knowledge of Precious Metals and the Precious Metals marketplace varies markedly.

g. CM makes no representations regarding the tax consequences of holding Precious Metals as an investment in an IRA. Customer expressly acknowledges that Customer has been advised to seek independent tax advice, from a qualified professional, regarding the tax consequences of such an investment. Any written or oral statements by CM, its officers, agents, account executives, or other representatives relating to future events or the attributes of certain Precious Metals are opinions only. Such statements, if any, are not representations of fact.

h. Customer understands, agrees, and acknowledges that CM records telephone calls with potential customers and/or including Customer, to avoid and/or prevent fraud, for purposes of verifying Customer's assent to the terms and conditions of the purchase from CM, for quality control and/or other reasons. Customer consents to all such recordings of Customer by CM to the extent consent is required under any state or federal laws or statutes.

6. Grades:

a. CM is not a grading service. CM purchases Precious Metals for re-sale to its customers. CM is not a grading service. CM does not independently assess the Precious Metals it purchases for re-sale, but relies upon the opinions and assessments of independent grading services such as Professional Coin Grading Service, Inc., Numismatic Guaranty Corporation of America, and ANACAS, or others. Grading is a subjective process and it is not uncommon for grading services, or individual examiners within the same grading service, to reach different conclusions regarding the appropriate grade for a particular Precious Metal. Moreover, grading standards are constantly evolving. CM does not guarantee that the Precious Metals it sells will achieve the same grades in the future. In selling graded Precious Metals, CM warrants that the Precious Metal is genuine (i.e., not a counterfeit) and states that the grade is as opined by the grading service when graded by that service, if graded.

b. Grading is subjective. Grading is a subjective determination. While numerical grading may give the impression of precision, the numbers in fact represent a nuanced opinion that even experts cannot consistently and systematically agree upon. The grade reflects the opinion of the cataloger (or grader) as to the state of preservation, method of strike, and overall appearance of a particular Precious Metal or lot.

c. Terminology. The term "proof" or "specimen" is used to describe a method of manufacture. Those terms do not connote a grade, condition or attribution.

d. Cleaning/Toning. CM does not represent that a Precious Metal has or has not been cleaned, that any toning is natural or artificial, that a Precious Metal has a particular provenance or pedigree, that a Precious Metal is struck or not struck, that a Precious Metal is produced or not produced in a particular manner or style, and/or that a different grading service (or even a different grader within the same grading service) would assign the same grade now or in the future to the same Precious Metal.

e. Acknowledgment. Where CM sells a Precious Metal that is encapsulated by a grading service and bears the grade or condition ascribed to it by the grading service, Customer acknowledges and agrees that other grading services or knowledgeable purchasers might reach a different conclusion as to the item's grade. Customer further acknowledges that CM has provided the grader's description for the customer's information and makes no warranty as to its accuracy or the standards used to determine that grade.

7. Representation/Warranty; Sales Representatives Not Authorized To Make Other Representations or Warranties: CM represents and warrants that, upon the delivery of Purchase Funds (as provided for in Paragraph 1), and subject to the other terms and restrictions set forth in this Transaction Agreement, CM will cause to be delivered to Customer the denomination/type and grade of Precious Metals specified in Customer's order, as classified and/or graded by one of the following independent grading services: Professional Coin Grading Service, Inc. (PCGS), Numismatic Guaranty Corporation of America (NGC), ANACAS, or any other independent grading service of similar standing. The only representation and warranty that Customer may rely upon in purchasing Precious Metals from or selling Precious Metals to CM is the representation set forth in this Paragraph 7. Neither CM, nor any of its officers, agents, employees, sales representatives, or other representatives are authorized to make any other representations or warranties concerning any Precious Metals that CM is selling or purchasing under this Transaction Agreement.

8. Exchange/Refund Policy:

a. Replacement of Semi-Numismatic or Numismatic Coins Where Grade Disputed: Customer agrees to inspect each delivery carefully upon receipt. If, for any reason whatsoever, Customer is dissatisfied with the quality of a semi-Numismatic or Numismatic coin or bar (specific kinds of Precious Metals) purchased from CM, Customer should immediately notify CM. If Customer notifies CM of its dissatisfaction within fifteen (15) days of delivery of the semi-Numismatic or Numismatic coin or bar and the original holder in which the semi-Numismatic or Numismatic coin or bar in question was delivered has not been opened, removed, or tampered with in any respect, CM shall replace the semi-Numismatic or Numismatic coin or bar in question with another semi-Numismatic or Numismatic coin or bar (as appropriate) of the same denomination/type and grade. CM, in its sole discretion, may permit Customer to upgrade to a higher value semi-Numismatic or Numismatic coin or bar (either in denomination/type or grade) as part of this replacement process, provided Customer pays the difference between the contract price of the semi-Numismatic or Numismatic coin or bar previously purchased and CM's current sale price for the higher value semi-Numismatic or Numismatic coin(s) or bar(s) to be substituted. If CM determines, in its sole discretion, that another semi-Numismatic or Numismatic coin or bar of the same denomination/type and grade is not reasonably, commercially available, CM may elect, at its sole option, to replace the semi-Numismatic or Numismatic coin or bar purchased with a reasonably comparable semi-Numismatic or Numismatic coin or bar, even though of a different denomination/type and grade.

b. Cancellation Period; Certain States' Rights. With the exceptions noted in Paragraph 8a and the Addendum attached hereto (certain state residents only), CM offers Customers a seven (7) day right to request cancellation of their purchase with CM for semi-Numismatic or Numismatic coin or bar purchases. Because Precious Metals, including all other purchases other than semi-Numismatic or Numismatic coin or bars, are subject to price fluctuations outside of CM's control, the CM is unable to rescind, cancel, refund, or exchange Customer's order or this Agreement for all purchases other than semi-Numismatic or Numismatic coin or bars, other than as noted herein, in Paragraph 8a above, and as set forth in the attached Addendum.

9. Disclaimer of Express and Implied Warranties: EXCEPT AS SET FORTH IN PARAGRAPH 7, THE PRECIOUS METALS SOLD BY CM PURSUANT TO THIS TRANSACTION AGREEMENT ARE SOLD ON AN "AS IS" BASIS AND CM MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AND SPECIFICALLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY AND OR FITNESS FOR A PARTICULAR PURPOSE.

10. No Liability for Consequential Damages; Limitation of Liability: IN NO EVENT SHALL CM HAVE ANY

OBLIGATION OR LIABILITY (WHETHER IN TORT, CONTRACT, WARRANTY, OR OTHERWISE, AND NOTWITHSTANDING ANY FAULT, NEGLIGENCE, OR STRICT LIABILITY), FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES SUSTAINED OR ARISING FROM OR RELATED TO ANY TRANSACTION COVERED BY THIS TRANSACTION AGREEMENT, EVEN IF CM IS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. FURTHER, CM's LIABILITY TO CUSTOMER FOR ANY REASON AND UPON ANY CLAIMS SHALL AT ALL TIMES BE LIMITED TO THE AMOUNT ACTUALLY PAID BY CUSTOMER FOR THE PRECIOUS METALS IN DISPUTE.

11. Application to Future Transactions: This Transaction Agreement shall control all transactions between CM and Customer unless and until such time as it is amended by CM. Customer agrees that CM may amend this Transaction Agreement at any time and from time to time, that CM may give notice to Customer of any amendment by mailing a copy of the amended Transaction Agreement to the address set forth above (or any updated address provided by Customer in the interim), and that following such mailing, the amended Transaction Agreement shall govern succeeding transactions and any interaction with CM.

12. Force Majeure: Neither CM nor Customer shall be liable for any failure or delay in its or their performance under this Transaction Agreement due to any cause beyond its or their respective reasonable control, including acts of war, terrorism, acts of God, earthquake, flood, embargo, riot, sabotage, labor shortage or dispute, governmental act or failure of the Internet including, but not limited to, any disruption, failure and/or error in or of CM's internal computer systems, or any disruption, failure and/or error in or of any third-party Internet service providers as CM may use from time to time.

13. Arbitration of Disputes; Waiver of Jury Trial: ANY DISPUTE, CLAIM OR CONTROVERSY ARISING OUT OF OR RELATING TO THIS TRANSACTION AGREEMENT OR THE BREACH, TERMINATION, ENFORCEMENT, INTERPRETATION OR VALIDITY THEREOF, INCLUDING THE DETERMINATION OF THE SCOPE OR APPLICABILITY OF THIS AGREEMENT TO ARBITRATE, OR ANY OTHER DISPUTE, CLAIM OR CONTROVERSY ARISING OUT OF ANY INTERACTION BETWEEN CM AND CUSTOMER, SHALL BE BROUGHT AND BE DETERMINED BY ARBITRATION IN LOS ANGELES, CALIFORNIA, BEFORE ONE ARBITRATOR. THE ARBITRATION SHALL BE ADMINISTERED BY ADR SERVICES, INC. CUSTOMER AND CM WAIVE THEIR RIGHTS, IF ANY, TO BRING ANY CLAIM THAT IS SUBJECT TO THIS ARBITRATION PROVISION AS A CLASS ACTION, "MASS" ACTION, OR OTHERWISE ON A REPRESENTATIVE BASIS. JUDGMENT ON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT OF COMPETENT JURISDICTION. THIS CLAUSE SHALL NOT PRECLUDE PARTIES FROM SEEKING PROVISIONAL INJUNCTIVE REMEDIES IN AID OF ARBITRATION FROM A COURT OF APPROPRIATE JURISDICTION.

14. Choice of Law: The substantive law of California shall govern all claims brought by or against CM in connection with this Transaction Agreement or otherwise arising out of any interaction between CM and Customer, without any regard for conflict of law principles.

15. Limitation on Time to Bring Any Claim: Except where the law prescribes a shorter applicable statute of limitation, or prohibits shortening the otherwise applicable longer statute of limitations, any claim or legal action of any kind arising in connection with or relating in any way Customer's purchases from CM, CM, or in any way relating to CM or this Agreement, must be brought within one year after the purchase or sale or other event giving rise to the claim or legal action. If this clause is determined to be unenforceable as to any particular claim or claims under the law of the applicable jurisdiction, it shall remain fully enforceable as to all other claims.

16. Jurisdiction: Jurisdiction and venue for any dispute, claim or controversy arising out of or in any way relating to this Transaction Agreement or the breach, termination, enforcement, interpretation or validity thereof, or any other interaction between CM and Customer, shall be in Los Angeles, California, and any party making a claim against CM in whatever form hereby submits to personal jurisdiction in that forum for any and all purposes. By entering into this Agreement, Customer agrees to be subject to the personal jurisdiction of the State of California, agreeing and acknowledging that entering into this Agreement shall constitute sufficient minimum contacts with the State of California to confer both general and specific personal jurisdiction.

17. Finality; Integration Clause: This Agreement is intended by CM and Customer as a final expression of their agreement concerning the matters set forth herein, and is also intended as a complete and exclusive statement of the

terms of their agreement. This Agreement supersedes any oral or written statements made prior to, contemporaneous with, or in the future regarding this Agreement or the transactions covered hereunder. Customer shall not rely upon any statement made by or on behalf of CM that is inconsistent with this Transaction Agreement.

18. Severability: If any provision of this Transaction Agreement is determined by any court of competent jurisdiction or arbitrator to be invalid, illegal, or unenforceable to any extent, that provision shall, if possible, be construed as though more narrowly drawn, if a narrower construction would avoid such invalidity, illegality, or unenforceability or, if that is not possible, such provision shall, to the extent of such invalidity, illegality, or unenforceability, be severed, and the remaining provisions of this Agreement shall remain in full force and effect.

ADDENDUM OF STATE-SPECIFIC PROVISIONS

Alaska. CM provides all customers the right to receive a full refund for the return of undamaged and unused metals or coins, provided the customer gives CM timely notice of the return within seven (7) calendar days after the date the customer receives the merchandise. Timely notice is given if the return request is made in person within the seven (7) days or if the return or request is mailed, properly addressed and postmarked, postage prepaid, within the seven (7) days. Receipt of metals or coins is deemed to occur at the earliest of: (a) the date the customer receives actual possession of the metals or coins; or (b) the date the customer receives written confirmation that the metals or coins have been deposited on the customer's behalf in an independent depository. CM, upon written notice of cancellation and receipt of the merchandise in the same condition as delivered, issue a full refund within thirty (30) calendar days from the date of cancellation or, where merchandise has been delivered, the returned merchandise is received by CM, whichever is later.

Connecticut, Nebraska, Maryland, Louisiana, Kansas. CM provides all **first time customers** the right to a refund for the return of undamaged and unused metal or coins, provided that Chase Metals receive written notice of cancellation within seven (7) calendar days after the date you receive the merchandise. Your "receipt" of metals or coins is deemed to occur at the earliest of: (a) the date that you receive actual possession of the metals or coins; or (b) the date that you receive written confirmation that the metals or coins have been deposited on your behalf in an independent depository. CM shall, upon written notice of cancellation and receipt of the merchandise in the same condition as delivered, issue a full refund within thirty (30) calendar days from the date of cancellation or, where merchandise has been delivered, the returned merchandise is received by CM, whichever is later.

Hawaii, Mississippi, West Virginia, Arizona, Colorado, Montana, Oklahoma, Utah, Texas (credit card purchases only), Oregon, Nevada. CM provides you the right to receive a full refund for the return of undamaged and unused metals or coins, provided that CM receive written notice of the return within seven (7) calendar days after the date that you receive the merchandise. Your "receipt" of metals or coins is deemed to occur at the earliest of: (a) the date that you receive actual possession of the metals or coins; or (b) the date that you receive written confirmation that the metals or coins have been deposited on your behalf in an independent depository. CM shall, upon written notice of cancellation and receipt of the merchandise in the same condition as delivered, issue a full refund within thirty (30) calendar days from the date of cancellation or, where merchandise has been delivered, the returned merchandise is received by CM, whichever is later.

Indiana, Pennsylvania, Vermont, Wyoming, South Dakota. CM provides you the right to receive a full refund for the return of undamaged and unused metals or coins, provided that CM receive written notice of the return within ten (10) calendar days after the date that you receive the merchandise. Your "receipt" of metals or coins is deemed to occur at the earliest of: (a) the date that you receive actual possession of the metals or coins; or (b) the date that you receive written confirmation that the metals or coins have been deposited on your behalf in an independent depository. CM shall, upon written notice of cancellation and receipt of the merchandise in the same condition as delivered, issue a full refund within thirty (30) calendar days from the date of cancellation or, where merchandise has been delivered, the returned merchandise is received by CM, whichever is later.

Michigan, Virginia, Arkansas. CM provides all customers the right to a full refund provided that Chase Metals receive written notice of cancellation (see notice provided with your trade confirmation) **within three (3) business days** after the date that you sign this Agreement. CM shall, upon written notice of cancellation, issue a full refund

within ten (10) calendar days from the date you send us the notice of cancellation (notice of cancellation, if given by mail, is given when it is deposited in a mailbox properly addressed and postage prepaid.) If you decide to cancel, **return all items shipped to you (if any) in substantially as good condition as when received to the address that appears on the form, ATTN: Operations Dept.**

North Dakota. CM provides you the right to receive a full refund for the return of undamaged and unused metals or coins, provided that CM receive written notice of the return within fifteen (15) calendar days after the date that you receive the merchandise. Your "receipt" of metals or coins is deemed to occur at the earliest of: (a) the date that you receive actual possession of the metals or coins; or (b) the date that you receive written confirmation that the metals or coins have been deposited on your behalf in an independent depository. CM shall, upon written notice of cancellation and receipt of the merchandise in the same condition as delivered, issue a full refund within thirty (30) calendar days from the date of cancellation or, where merchandise has been delivered, the returned merchandise is received by CM, whichever is later.

Maine. CM provides all **first time customers** the right to a refund, provided that Chase Metals receive written notice of cancellation within seven (7) calendar days after the date your trade confirmation is mailed to you (based upon the postmark) or delivered to a third-party carrier such as FedEx. (Prior purchasers have the right to receive a full refund provided that CM receive written notice of the cancellation **within three (3) business days** after the date your trade confirmation is mailed or delivered, as above.) CM shall, upon written notice of cancellation, issue a full refund within fifteen (15) calendar days from the date you send us the notice of cancellation (notice of cancellation, if given by mail, is given when it is deposited in a mailbox properly addressed and postage prepaid.) If you decide to cancel, **return all items shipped to you (if any) in substantially as good condition as when received to the address that appears on the form, ATTN: Operations Dept.**

West Virginia. CM provides you the right to receive a full refund for the return of undamaged and unused metals or coins, provided that CM receive written notice of the return within seven (7) calendar days after the date that you receive the merchandise. Your "receipt" of metals or coins is deemed to occur at the earliest of: (a) the date that you receive actual possession of the metals or coins; or (b) the date that you receive written confirmation that the metals or coins have been deposited on your behalf in an independent depository. For purposes of this subsection, it will be presumed that goods were received seven days after they were mailed unless it can be clearly demonstrated that the goods were not received or received at a later date. CM shall, upon written notice of cancellation and receipt of the merchandise in the same condition as delivered, issue a full refund within thirty (30) calendar days from the date of cancellation or, where merchandise has been delivered, the returned merchandise is received by CM, whichever is later. CM will provide a cash refund for a cash purchase or issuing a credit for a credit purchase, which credit is applied to the account to which the purchase was debited in connection with the return of its unused and undamaged merchandise or canceled services.

Wisconsin. CM provides all customers the right to a full refund provided that CM receive written notice of cancellation (see notice provided with your trade confirmation) **within three (3) business days** after the date that you sign the Addendum to this Trade Confirmation. CM shall, upon written notice of cancellation and receipt of the merchandise in the same condition as delivered, issue a full refund within thirty (30) calendar days from the date of cancellation or, where merchandise has been delivered, the returned merchandise is received by CM whichever is later. (Notice of cancellation, if given by mail, is given when it is deposited in a mailbox properly addressed and postage prepaid.)

3. Purchase Price:

a. Sales: The purchase price Customer has been quoted and agreed to pay includes CM operating margin on the transaction. Within the Precious Metals industry, the difference between CM cost on the day of the purchase (for the Precious Metals Customer has agreed to buy) and the retail price quoted to Customer is known as the "Spread." Spreads vary significantly - by Precious Metal, by customer, and over time. For Customer to make a profit, Customer must be able to sell the Precious Metals in the future for a price high enough to cover Customer's initial investment, including Spreads. Spreads may be subject to negotiation, and Spreads charged to Customer in a specific transaction may be more or less than the Spread charged to others in similar transactions or charged to Customer in prior or future transactions. At the time this Transaction Agreement was transmitted for Customer's signature, (i) CM's Spread on bullion (i.e., coins and bars that generally move in tandem with the spot price for the relevant commodity) is generally between one percent and five percent (1 to 5%), and (ii) CM's Spread on semi-Numismatic and Numismatic coins and bars is generally between seventeen percent and thirty-three percent (17 to 33%). Spreads for semi-Numismatic and Numismatic coins and bars are often in the range of approximately twenty-nine percent (29%). These numbers, however, are only general ranges and approximations, which are subject to change for a variety of reasons. The actual Spread on any particular transaction could be any amount within those ranges (or even possibly outside those ranges). For example, if a bullion coin or bar was quoted by CM at \$400, and included a ten percent (10%) spread, CM's cost for the bullion coin or bar would be \$360. Similarly, if CM quoted a Numismatic coin or bar at \$400, and included a twenty-five percent (25%) spread, CM's cost for that coin would be \$300. CM's Spread range may be different (higher and/or lower), and the Spread CM charges may be higher or lower, at the time of and for any given transaction. Customer acknowledges that the spot prices of Precious Metals do not necessarily move in tandem with the Precious Metals the Customer purchases. That means that the spot price and the liquidation value of the Precious Metals purchased by the Customer under this Agreement may perform differently from one another.

b. IRA Sales: Individual retirement account ("IRA") transactions are more expensive to process and can require CM to assume certain investment risk in connection with the transaction. As such, notwithstanding the general ranges set forth in Paragraph 3a, at the time this Agreement was transmitted for Customer's signature, CM's Spread on IRA Precious Metals transactions varies between two percent and thirty-three percent (2% to 33%). These numbers, however, are only general ranges and approximations, which are subject to change for a variety of reasons. The actual Spread on any particular transaction could be any amount within that range (or even possibly outside that range). Moreover, CM's Spread range may be different (higher and/or lower), and the Spread CM charges may be higher or lower, at the time of and for any given transaction. For example, a bullion coin or bar that ordinarily would be quoted by CM (outside an IRA) at \$400, with a ten percent (10%) Spread, might be quoted at \$480, with a twenty-five percent (25%) Spread, if the bullion coin or bar is purchased as an IRA investment. In both those examples, however, CM's cost for the bullion coin or bar would be \$360. CM makes no representations regarding the tax consequences of holding Precious Metals as an investment in an Individual retirement account ("IRA"). Client expressly acknowledges that Client has been advised to seek independent tax advice, from a qualified professional, regarding the tax consequences of such an investment. Further, please note that holding Precious Metals as an investment in an IRA may result in additional fees charged by third parties, not CM, such as depositary and custodial fees that would be charged directly to the Client by such third parties. CM makes no opinions, statements, or recommendations in regards to how much or what percentage of Client's retirement account should be invested in precious metals.

c. Re-purchases: CM is prohibited by law from guaranteeing to repurchase Precious Metals that it sells. CM may, at its sole discretion, elect to re-purchase the Precious Metals that CM sells, and CM does not guarantee that it will re-purchase Precious Metals that Customer purchases from CM. In the event Customer seeks to sell its Precious Metals to CM, Customer understands and acknowledges that CM's re-purchase offer may be raised or lowered on a daily, even hourly or more basis, depending upon various market conditions, inventory needs, and the price and availability of comparable Precious Metals. CM does not guarantee that any re-purchase offer will equal the price that CM would pay to acquire the same denomination/type and grade of Precious Metal from a wholesaler, or that any offer made will be higher or equal to what someone else might offer for the same Precious Metals.

d. Certification: Customers who are selling Precious Metals to CM declare under penalty of perjury pursuant to 28 U.S.C. §1746 that (i) Customer either deals in such articles or otherwise by Customer's respective occupation or as a result of Customer's avocations as collector, speculator, or investor has and holds him or herself out as having knowledge or skill peculiar to such articles or the practices involved in the sale of such articles, and (ii) any sale to CM of coins, hallmark bars, registered ingots, and other items as Numismatic objects is for their Numismatic value.

Customers who are buying Precious Metals from CM declare under penalty of perjury pursuant to 28 U.S.C. §1746 that (i) Customer either deals in such articles or otherwise by Customer's respective occupation or as a result of Customer's avocations as collector, speculator, or investor has and holds him or herself out as having knowledge or skill peculiar to such articles or the practices involved in the purchase of such articles, and (ii) any purchase from CM of coins, hallmark bars, registered ingots, and other items as Numismatic objects is for their Numismatic value.

e. Quotes on Customer's Holdings: Customers may request a quote on their holdings at any time. When requesting a quote, please specify whether you are looking to purchase additional Precious Metals or sell your existing holdings - as CM's bid (buy from customer) and ask (sell to customer) quotes will vary. CM bases such quotes on a variety of factors, which are not necessarily tied or related to the prices quoted by, or factors considered by, its competitors.

f. Classification as Bullion, semi-Numismatic, or Numismatic: Whether a Precious Metal is classified as Bullion, semi-Numismatic, or Numismatic may turn on a number of objective and subjective factors, including the age of the Precious Metal, its condition, the number of known copies, the likelihood of additional minting, the originating country, relevant historical events or owners (e.g., shipwreck; royalty), relevance to the formation of various Precious Metal collections, and an investor's personal attraction to the piece. CM's classification of Precious Metals is only an opinion and may change over time (e.g., if additional quantities of the Precious Metal are discovered). In addition, given the subjective nature of the classification process, other dealers or investors may classify the same coin differently. CM's prices and spreads are based on its classification determination.

g. Customer Assumes Investment Risk; Investment Decisions. Customer acknowledges that purchases and sales of Precious Metals involve considerable risk. Market prices are at times volatile and may be affected by a variety of factors including, among others, general economic conditions, political events, monetary policies of various countries, fluctuations in production and demand, stock-piles, speculative activity and the degree of concern people have about these matters. It is impossible to forecast accurately how or to what degree these or other factors will affect prices. Customer acknowledges and agrees that Customer assumes the risk of all investment decisions regarding any and all Precious Metals the Customer purchases from CM and CM makes no guarantee or representation regarding Customer's ability to profit (or avoid loss) from any purchase or any representation regarding any tax implications of any purchase and the decision to purchase or sell Precious Metals. Any purchases from CM are made subject to Customer's own prudence, judgment and ultimate decision. Customer expressly acknowledges and agrees to hold CM harmless for any damages arising out of the performance by CM of this Agreement. Customer understands that past performance cannot be an indicative of future results.

4. Remedy for Customer's Failure to Perform: If Customer refuses to accept delivery of the Precious Metals ordered or fails to make payment when due, CM, in its sole discretion, may cancel the transaction and resell such Precious Metals on a wholesale basis. If the proceeds from such resale are less than the contract price with Customer, CM shall be entitled to recover from Customer the difference between the resale price and Customer's contract price, plus any incidental damages occasioned by Customer's breach. If the proceeds from such resale are more than the contract price with Customer, CM shall be entitled to keep the excess amount to cover CM's incidental damages.

5. Investment Objectives; Holding Period; Investment Risk; No Advice; Commissioned Sales Representatives:

a. CM is a seller and purchaser of Precious Metals. While CM is always prepared to compare and contrast the different Precious Metals that are available for purchase or that CM is willing to purchase, Customer acknowledges and agrees that (i) no fiduciary relationship exists between CM and Customer, (ii) the decision to purchase or sell Precious Metals, and which Precious Metals to purchase or sell, are the Customer's decision alone, and (iii) purchases or sales are made subject to Customer's own prudence and judgment.

b. In CM's opinion, Precious Metals should be considered a long-term investment. Customer should be prepared to hold any Precious Metals purchased - whether from CM or elsewhere - for at least a three to five year period, and preferably five to ten years, to maximize the potential for gains. In CM's opinion, Customer should only invest capital that can be held for at least this period of time. However, Precious Metals, like all investments, carry capital risk. Precious Metals may appreciate, depreciate, or stay the same depending on a variety of factors. CM cannot guarantee, and makes no representation, that the Precious Metals will appreciate at all or appreciate sufficiently to make Customer a profit at the expiration of this or any other period of time.

c. In CM's opinion, Customer should not invest more than twenty percent (20%) of Customer's available investment funds in Precious Metals. Moreover, Precious Metals do not yield income and thus are not an appropriate investment vehicle for investors seeking current or future income.

d. The success of an investment in Precious Metals is dependent, in part, upon extrinsic economic forces including but not limited to supply, demand, international monetary conditions, and inflation or the expectation of inflation. The impact of these forces on the values of Precious Metals in general or any particular Precious Metal cannot be predicted. Customer acknowledges that the Precious Metals market can be volatile and that Precious Metal prices may rise or fall over time. Customer further acknowledges that past performance is no guarantee of future performance.

e. CM does not provide tax, investment, or legal advice or advisory services, and no one associated with CM is authorized to provide any such advice or services. Any written or oral statements by CM, its officers, agents, sales representatives, or other representatives relating to future events or the attributes of certain Precious Metals are opinions only. Such statements, if any, are not representations of fact. Customer agrees, acknowledges, and represents that Customer has not, at any time, sought or been provided with tax, investment, or legal advice or advisory services, of any kind or nature from CM or any of its, affiliates, assigns, successors, agents, employees, contractors or other representatives.

f. CM's sales representatives are commissioned salespersons - i.e., their salary is based, at least in part, on the amount and profit margin of the Precious Metals they sell. In addition, from time to time, CM's sales representatives may receive other compensation tied to sales activity - e.g., sales contests; bonuses tied to the sale of certain denominations/types or grades of Precious Metals. CM's sales representatives are not licensed brokers and their knowledge of Precious Metals and the Precious Metals marketplace varies markedly.

g. CM makes no representations regarding the tax consequences of holding Precious Metals as an investment in an IRA. Customer expressly acknowledges that Customer has been advised to seek independent tax advice, from a qualified professional, regarding the tax consequences of such an investment. Any written or oral statements by CM, its officers, agents, account executives, or other representatives relating to future events or the attributes of certain Precious Metals are opinions only. Such statements, if any, are not representations of fact.

h. Customer understands, agrees, and acknowledges that CM records telephone calls with potential customers and/or including Customer, to avoid and/or prevent fraud, for purposes of verifying Customer's assent to the terms and conditions of the purchase from CM, for quality control and/or other reasons. Customer consents to all such recordings of Customer by CM to the extent consent is required under any state or federal laws or statutes.

6. Grades:

a. CM is not a grading service. CM purchases Precious Metals for re-sale to its customers. CM is not a grading service. CM does not independently assess the Precious Metals it purchases for re-sale, but relies upon the opinions and assessments of independent grading services such as Professional Coin Grading Service, Inc., Numismatic Guaranty Corporation of America, and ANACAS, or others. Grading is a subjective process and it is not uncommon for grading services, or individual examiners within the same grading service, to reach different conclusions regarding the appropriate grade for a particular Precious Metal. Moreover, grading standards are constantly evolving. CM does not guarantee that the Precious Metals it sells will achieve the same grades in the future. In selling graded Precious Metals, CM warrants that the Precious Metal is genuine (i.e., not a counterfeit) and states that the grade is as opined by the grading service when graded by that service, if graded.

b. Grading is subjective. Grading is a subjective determination. While numerical grading may give the impression of precision, the numbers in fact represent a nuanced opinion that even experts cannot consistently and systematically agree upon. The grade reflects the opinion of the cataloger (or grader) as to the state of preservation, method of strike, and overall appearance of a particular Precious Metal or lot.

c. Terminology. The term "proof" or "specimen" is used to describe a method of manufacture. Those terms do not connote a grade, condition or attribution.

d. Cleaning/Toning. CM does not represent that a Precious Metal has or has not been cleaned, that any toning is natural or artificial, that a Precious Metal has a particular provenance or pedigree, that a Precious Metal is struck or not struck, that a Precious Metal is produced or not produced in a particular manner or style, and/or that a different grading service (or even a different grader within the same grading service) would assign the same grade now or in the future to the same Precious Metal.

e. Acknowledgment. Where CM sells a Precious Metal that is encapsulated by a grading service and bears the grade or condition ascribed to it by the grading service, Customer acknowledges and agrees that other grading services or knowledgeable purchasers might reach a different conclusion as to the item's grade. Customer further acknowledges that CM has provided the grader's description for the customer's information and makes no warranty as to its accuracy or the standards used to determine that grade.

7. Representation/Warranty; Sales Representatives Not Authorized To Make Other Representations or Warranties: CM represents and warrants that, upon the delivery of Purchase Funds (as provided for in Paragraph 1), and subject to the other terms and restrictions set forth in this Transaction Agreement, CM will cause to be delivered to Customer the denomination/type and grade of Precious Metals specified in Customer's order, as classified and/or graded by one of the following independent grading services: Professional Coin Grading Service, Inc. (PCGS), Numismatic Guaranty Corporation of America (NGC), ANACAS, or any other independent grading service of similar standing. The only representation and warranty that Customer may rely upon in purchasing Precious Metals from or selling Precious Metals to CM is the representation set forth in this Paragraph 7. Neither CM, nor any of its officers, agents, employees, sales representatives, or other representatives are authorized to make any other representations or warranties concerning any Precious Metals that CM is selling or purchasing under this Transaction Agreement.

8. Exchange/Refund Policy:

a. Replacement of Semi-Numismatic or Numismatic Coins Where Grade Disputed: Customer agrees to inspect each delivery carefully upon receipt. If, for any reason whatsoever, Customer is dissatisfied with the quality of a semi-Numismatic or Numismatic coin or bar (specific kinds of Precious Metals) purchased from CM, Customer should immediately notify CM. If Customer notifies CM of its dissatisfaction within fifteen (15) days of delivery of the semi-Numismatic or Numismatic coin or bar and the original holder in which the semi-Numismatic or Numismatic coin or bar in question was delivered has not been opened, removed, or tampered with in any respect, CM shall replace the semi-Numismatic or Numismatic coin or bar in question with another semi-Numismatic or Numismatic coin or bar (as appropriate) of the same denomination/type and grade. CM, in its sole discretion, may permit Customer to upgrade to a higher value semi-Numismatic or Numismatic coin or bar (either in denomination/type or grade) as part of this replacement process, provided Customer pays the difference between the contract price of the semi-Numismatic or Numismatic coin or bar previously purchased and CM's current sale price for the higher value semi-Numismatic or Numismatic coin(s) or bar(s) to be substituted. If CM determines, in its sole discretion, that another semi-Numismatic or Numismatic coin or bar of the same denomination/type and grade is not reasonably, commercially available, CM may elect, at its sole option, to replace the semi-Numismatic or Numismatic coin or bar purchased with a reasonably comparable semi-Numismatic or Numismatic coin or bar, even though of a different denomination/type and grade.

b. Cancellation Period; Certain States' Rights. With the exceptions noted in Paragraph 8a and the Addendum attached hereto (certain state residents only), CM offers Customers a seven (7) day right to request cancellation of their purchase with CM for semi-Numismatic or Numismatic coin or bar purchases. Because Precious Metals, including all other purchases other than semi-Numismatic or Numismatic coin or bars, are subject to price fluctuations outside of CM's control, the CM is unable to rescind, cancel, refund, or exchange Customer's order or this Agreement for all purchases other than semi-Numismatic or Numismatic coin or bars, other than as noted herein, in Paragraph 8a above, and as set forth in the attached Addendum.

9. Disclaimer of Express and Implied Warranties: EXCEPT AS SET FORTH IN PARAGRAPH 7, THE PRECIOUS METALS SOLD BY CM PURSUANT TO THIS TRANSACTION AGREEMENT ARE SOLD ON AN "AS IS" BASIS AND CM MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AND SPECIFICALLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY AND OR FITNESS FOR A PARTICULAR PURPOSE.

10. No Liability for Consequential Damages; Limitation of Liability: IN NO EVENT SHALL CM HAVE ANY

OBLIGATION OR LIABILITY (WHETHER IN TORT, CONTRACT, WARRANTY, OR OTHERWISE, AND NOTWITHSTANDING ANY FAULT, NEGLIGENCE, OR STRICT LIABILITY), FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES SUSTAINED OR ARISING FROM OR RELATED TO ANY TRANSACTION COVERED BY THIS TRANSACTION AGREEMENT, EVEN IF CM IS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. FURTHER, CM's LIABILITY TO CUSTOMER FOR ANY REASON AND UPON ANY CLAIMS SHALL AT ALL TIMES BE LIMITED TO THE AMOUNT ACTUALLY PAID BY CUSTOMER FOR THE PRECIOUS METALS IN DISPUTE.

11. Application to Future Transactions: This Transaction Agreement shall control all transactions between CM and Customer unless and until such time as it is amended by CM. Customer agrees that CM may amend this Transaction Agreement at any time and from time to time, that CM may give notice to Customer of any amendment by mailing a copy of the amended Transaction Agreement to the address set forth above (or any updated address provided by Customer in the interim), and that following such mailing, the amended Transaction Agreement shall govern succeeding transactions and any interaction with CM.

12. Force Majeure: Neither CM nor Customer shall be liable for any failure or delay in its or their performance under this Transaction Agreement due to any cause beyond its or their respective reasonable control, including acts of war, terrorism, acts of God, earthquake, flood, embargo, riot, sabotage, labor shortage or dispute, governmental act or failure of the Internet including, but not limited to, any disruption, failure and/or error in or of CM's internal computer systems, or any disruption, failure and/or error in or of any third-party Internet service providers as CM may use from time to time.

13. Arbitration of Disputes; Waiver of Jury Trial: ANY DISPUTE, CLAIM OR CONTROVERSY ARISING OUT OF OR RELATING TO THIS TRANSACTION AGREEMENT OR THE BREACH, TERMINATION, ENFORCEMENT, INTERPRETATION OR VALIDITY THEREOF, INCLUDING THE DETERMINATION OF THE SCOPE OR APPLICABILITY OF THIS AGREEMENT TO ARBITRATE, OR ANY OTHER DISPUTE, CLAIM OR CONTROVERSY ARISING OUT OF ANY INTERACTION BETWEEN CM AND CUSTOMER, SHALL BE BROUGHT AND BE DETERMINED BY ARBITRATION IN LOS ANGELES, CALIFORNIA, BEFORE ONE ARBITRATOR. THE ARBITRATION SHALL BE ADMINISTERED BY ADR SERVICES, INC. CUSTOMER AND CM WAIVE THEIR RIGHTS, IF ANY, TO BRING ANY CLAIM THAT IS SUBJECT TO THIS ARBITRATION PROVISION AS A CLASS ACTION, "MASS" ACTION, OR OTHERWISE ON A REPRESENTATIVE BASIS. JUDGMENT ON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT OF COMPETENT JURISDICTION. THIS CLAUSE SHALL NOT PRECLUDE PARTIES FROM SEEKING PROVISIONAL INJUNCTIVE REMEDIES IN AID OF ARBITRATION FROM A COURT OF APPROPRIATE JURISDICTION.

14. Choice of Law: The substantive law of California shall govern all claims brought by or against CM in connection with this Transaction Agreement or otherwise arising out of any interaction between CM and Customer, without any regard for conflict of law principles.

15. Limitation on Time to Bring Any Claim: Except where the law prescribes a shorter applicable statute of limitation, or prohibits shortening the otherwise applicable longer statute of limitations, any claim or legal action of any kind arising in connection with or relating in any way Customer's purchases from CM, CM, or in any way relating to CM or this Agreement, must be brought within one year after the purchase or sale or other event giving rise to the claim or legal action. If this clause is determined to be unenforceable as to any particular claim or claims under the law of the applicable jurisdiction, it shall remain fully enforceable as to all other claims.

16. Jurisdiction: Jurisdiction and venue for any dispute, claim or controversy arising out of or in any way relating to this Transaction Agreement or the breach, termination, enforcement, interpretation or validity thereof, or any other interaction between CM and Customer, shall be in Los Angeles, California, and any party making a claim against CM in whatever form hereby submits to personal jurisdiction in that forum for any and all purposes. By entering into this Agreement, Customer agrees to be subject to the personal jurisdiction of the State of California, agreeing and acknowledging that entering into this Agreement shall constitute sufficient minimum contacts with the State of California to confer both general and specific personal jurisdiction.

17. Finality; Integration Clause: This Agreement is intended by CM and Customer as a final expression of their agreement concerning the matters set forth herein, and is also intended as a complete and exclusive statement of the

terms of their agreement. This Agreement supersedes any oral or written statements made prior to, contemporaneous with, or in the future regarding this Agreement or the transactions covered hereunder. Customer shall not rely upon any statement made by or on behalf of CM that is inconsistent with this Transaction Agreement.

18. Severability: If any provision of this Transaction Agreement is determined by any court of competent jurisdiction or arbitrator to be invalid, illegal, or unenforceable to any extent, that provision shall, if possible, be construed as though more narrowly drawn, if a narrower construction would avoid such invalidity, illegality, or unenforceability or, if that is not possible, such provision shall, to the extent of such invalidity, illegality, or unenforceability, be severed, and the remaining provisions of this Agreement shall remain in full force and effect.

ADDENDUM OF STATE-SPECIFIC PROVISIONS

Alaska. CM provides all customers the right to receive a full refund for the return of undamaged and unused metals or coins, provided the customer gives CM timely notice of the return within seven (7) calendar days after the date the customer receives the merchandise. Timely notice is given if the return request is made in person within the seven (7) days or if the return or request is mailed, properly addressed and postmarked, postage prepaid, within the seven (7) days. Receipt of metals or coins is deemed to occur at the earliest of: (a) the date the customer receives actual possession of the metals or coins; or (b) the date the customer receives written confirmation that the metals or coins have been deposited on the customer's behalf in an independent depository. CM, upon written notice of cancellation and receipt of the merchandise in the same condition as delivered, issue a full refund within thirty (30) calendar days from the date of cancellation or, where merchandise has been delivered, the returned merchandise is received by CM, whichever is later.

Connecticut, Nebraska, Maryland, Louisiana, Kansas. CM provides all **first time customers** the right to a refund for the return of undamaged and unused metal or coins, provided that Chase Metals receive written notice of cancellation within seven (7) calendar days after the date you receive the merchandise. Your "receipt" of metals or coins is deemed to occur at the earliest of: (a) the date that you receive actual possession of the metals or coins; or (b) the date that you receive written confirmation that the metals or coins have been deposited on your behalf in an independent depository. CM shall, upon written notice of cancellation and receipt of the merchandise in the same condition as delivered, issue a full refund within thirty (30) calendar days from the date of cancellation or, where merchandise has been delivered, the returned merchandise is received by CM, whichever is later.

Hawaii, Mississippi, West Virginia, Arizona, Colorado, Montana, Oklahoma, Utah, Texas (credit card purchases only), Oregon, Nevada. CM provides you the right to receive a full refund for the return of undamaged and unused metals or coins, provided that CM receive written notice of the return within seven (7) calendar days after the date that you receive the merchandise. Your "receipt" of metals or coins is deemed to occur at the earliest of: (a) the date that you receive actual possession of the metals or coins; or (b) the date that you receive written confirmation that the metals or coins have been deposited on your behalf in an independent depository. CM shall, upon written notice of cancellation and receipt of the merchandise in the same condition as delivered, issue a full refund within thirty (30) calendar days from the date of cancellation or, where merchandise has been delivered, the returned merchandise is received by CM, whichever is later.

Indiana, Pennsylvania, Vermont, Wyoming, South Dakota. CM provides you the right to receive a full refund for the return of undamaged and unused metals or coins, provided that CM receive written notice of the return within ten (10) calendar days after the date that you receive the merchandise. Your "receipt" of metals or coins is deemed to occur at the earliest of: (a) the date that you receive actual possession of the metals or coins; or (b) the date that you receive written confirmation that the metals or coins have been deposited on your behalf in an independent depository. CM shall, upon written notice of cancellation and receipt of the merchandise in the same condition as delivered, issue a full refund within thirty (30) calendar days from the date of cancellation or, where merchandise has been delivered, the returned merchandise is received by CM, whichever is later.

Michigan, Virginia, Arkansas. CM provides all customers the right to a full refund provided that Chase Metals receive written notice of cancellation (see notice provided with your trade confirmation) **within three (3) business days** after the date that you sign this Agreement. CM shall, upon written notice of cancellation, issue a full refund

within ten (10) calendar days from the date you send us the notice of cancellation (notice of cancellation, if given by mail, is given when it is deposited in a mailbox properly addressed and postage prepaid.) If you decide to cancel, **return all items shipped to you (if any) in substantially as good condition as when received to the address that appears on the form, ATTN: Operations Dept.**

North Dakota. CM provides you the right to receive a full refund for the return of undamaged and unused metals or coins, provided that CM receive written notice of the return within fifteen (15) calendar days after the date that you receive the merchandise. Your "receipt" of metals or coins is deemed to occur at the earliest of: (a) the date that you receive actual possession of the metals or coins; or (b) the date that you receive written confirmation that the metals or coins have been deposited on your behalf in an independent depository. CM shall, upon written notice of cancellation and receipt of the merchandise in the same condition as delivered, issue a full refund within thirty (30) calendar days from the date of cancellation or, where merchandise has been delivered, the returned merchandise is received by CM, whichever is later.

Maine. CM provides all **first time customers** the right to a refund, provided that Chase Metals receive written notice of cancellation within seven (7) calendar days after the date your trade confirmation is mailed to you (based upon the postmark) or delivered to a third-party carrier such as FedEx. (Prior purchasers have the right to receive a full refund provided that CM receive written notice of the cancellation **within three (3) business days** after the date your trade confirmation is mailed or delivered, as above.) CM shall, upon written notice of cancellation, issue a full refund within fifteen (15) calendar days from the date you send us the notice of cancellation (notice of cancellation, if given by mail, is given when it is deposited in a mailbox properly addressed and postage prepaid.) If you decide to cancel, **return all items shipped to you (if any) in substantially as good condition as when received to the address that appears on the form, ATTN: Operations Dept.**

West Virginia. CM provides you the right to receive a full refund for the return of undamaged and unused metals or coins, provided that CM receive written notice of the return within seven (7) calendar days after the date that you receive the merchandise. Your "receipt" of metals or coins is deemed to occur at the earliest of: (a) the date that you receive actual possession of the metals or coins; or (b) the date that you receive written confirmation that the metals or coins have been deposited on your behalf in an independent depository. For purposes of this subsection, it will be presumed that goods were received seven days after they were mailed unless it can be clearly demonstrated that the goods were not received or received at a later date. CM shall, upon written notice of cancellation and receipt of the merchandise in the same condition as delivered, issue a full refund within thirty (30) calendar days from the date of cancellation or, where merchandise has been delivered, the returned merchandise is received by CM, whichever is later. CM will provide a cash refund for a cash purchase or issuing a credit for a credit purchase, which credit is applied to the account to which the purchase was debited in connection with the return of its unused and undamaged merchandise or canceled services.

Wisconsin. CM provides all customers the right to a full refund provided that CM receive written notice of cancellation (see notice provided with your trade confirmation) **within three (3) business days** after the date that you sign the Addendum to this Trade Confirmation. CM shall, upon written notice of cancellation and receipt of the merchandise in the same condition as delivered, issue a full refund within thirty (30) calendar days from the date of cancellation or, where merchandise has been delivered, the returned merchandise is received by CM whichever is later. (Notice of cancellation, if given by mail, is given when it is deposited in a mailbox properly addressed and postage prepaid.)

Signature Certificate

Document Ref.: K6RMM-UDJKD-XEM3Q-RKEJY

Document signed by:

	<p>Steven Matteo</p> <p>Verified E-mail: barbandsteve@att.net</p>	 
<p>IP: 72.130.144.52 Date: 07 Aug 2017 22:25:18 UTC</p>		

Document completed by all parties on:
07 Aug 2017 22:25:18 UTC

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Signed with PandaDoc.com

Send, track, annotate and sign documents
online in a fast, secure and professional way.



PROOF OF SERVICE

I, the undersigned, am over age 18, not a party to this action, and am employed in the County of Los Angeles at Kerendian & Associates, Inc., 11755 Wilshire Blvd., 15th Floor, Los Angeles, California 90025. On the date stated below, I served foregoing document(s):

FIRST AMENDED COMPLAINT FOR DAMAGES

Together with a copy of this Proof of Service, on the following parties and sent as follows:

Daniel B. Spitzer dspitzer@spitzeresq.com	

☐ **BY MAIL:** By placing a true copy thereof enclosed in a sealed envelope(s) with postage fully prepaid. I am readily familiar with this firm's practice for collection and processing of correspondence for mailing with the United States Postal Service and, in the ordinary course of business, the correspondence would be deposited with the United States Postal Service on the day on which it is collected at the business.

☐ **BY FACSIMILE:** I transmitted the document(s) listed above by facsimile transmission to the facsimile number(s) as indicated above. Such transmission was reported as complete without error.

☒ **BY EMAIL:** I transmitted the document(s) listed above by email to the email address(es) as indicated below. Such transmission was reported as complete without error.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on APRIL 04, 2019 at Los Angeles, California.


Rozita Levy